

DITTIE WORTIG

् ः भागभाष्ट

Inflation

Guidelines yes, rules no





THURSDAY AUGUST 15 1996

Future king

The gospel of Leo Melamed Book fovlow; Page a



The Big Tent Black, gay and Republican

Japanese bank fined \$1m by **US** authorities

A US subsidiary of the Long-Term Credit Bank of Japan was fined \$1m by US authorities and ordered to improve its internal management. ordered to improve as inverse management. The New York State Bankling Department tassed the orders against 1/708 Trips after the discovery of livegularities in the official reporting of the company's transactions. Page 11

Volum changes the top poster swedish vehicles group Volve said it was replacing the head and chief financial officer of its 118 truck substillary in response to plunging sales in North America. Page 11

threst Cypriet killed in classic A trees.
Cypriot was killed and two United Nations, peakskipers were wounded when Turkish Cypriot stidlers fired on demonstrature in this buffer some that has divided Cyprie since 1874. Page 2 india blooks toot san talks: little blocked forwarding a global inclear test ban treaty to the full Conference on Dissipationit; salotaging 2% years of negotiations: Page 4

Unsusy 17356 in Grossy: At uneasy stand-off prevailed in Officery after the Russisti army and Checken resistance fighters agreed a temporary ceaselire. There were reports of spo-radic gunfire throughout Checkinya as each side accesed the other of violating the truce. Page 2

Hoselist torsessis profits riss! German chemical and pharmscending company Hoselist is expecting annual operating profits to increase by nearly a third following the start of a recovery from a steep downtuin in domestic demand. Page 11; Lex, Page 10

Saudi order for Eurocopter: Saudi Artista placed a \$500m order with the Franco-German Eurocopter joint venture for 12 Cougar Mark 2 search and rescue helicopters. Page 4

Hungary and Homania Boar 2668rds Hungary and Romania cleared the way for the signing of a historic bilateral treaty shoed at normalising their relations, after years of wraingling over minority rights. Page 2

Sanys executive kidnepped: The kidney of a Japanese executive in Thums, Messel, reawakened public concern over contrapled security measures. The attractors, are defined ing \$2m for the release of Mamoro Romit, president of a Californian subskillary of depart's Sanyo Electric. Part 10

US attack on sweatshops The White House is to appoint a task force to help ensure that clothing and foolware sold in the US is tions. Page 3.

Argentine unions threates striker
Argentine unions said they maint said a general
strike for the end of this month in protest at an
austerity package amounted by economy midister Roque Fernandes. Page 8

Ohisia equites illuride of: Chana said clatics by Rupert Murdoch that his Hong Kong based Star TV network was about to secure access to the country's last growing calife television maiket were premature. Page 5 Australia's contrat backer damadi lan

Macfarlane was named next governor of Austra-lia's Reserve Bank, this central monetary authority. The simistificement ends insulfis to speculation. Page 5

Terteration about axionaligo plainted: Two Malaystan companies signed agreements to establish a stock exchange in the Russian republic of Tartarstan. Page 4

diche Telecom hit by fraudi Clobe Talecom, the Philippines' third largest operator, said it had abandoned hopes of breaking even this year for the first time, in the wake of heavy losses from widespread hand on its mobile phone network. Page 11

That outlities months to the A chitral member of Theiland's rolling seven party costi-tion pulled out of the government, castility doubts on the future of prime minister Banturn Silpa-archa. Page 10

Women's mile record broken husels to double Olympic champion Svetland Master kova broke the women's world mile record in her first. race of the distance. She clocked duties 12.50secs at the Zurich grand priz meeting, three sections faster their the previous best.

connient and analysis at http	rides officie fiews, ://www.fri.com
# STOCK MARKET SECKES	# GOLD
New York: Land Heart Day Joseph and Par \$400 Art (42.5) RABOARS Confession -1,151.72 (44.57)	New York: Cortico (Dec)
GD 0 100 100 100 100 100 100 100 100 100	15.00 410 15 (507.35 16 15 15 15 15 15 15 15 15 15 15 15 15 15
With LUNGSTRAN RATES	The York Interests District Distri
Printed Funds S-room Troops Base: Yel . I Taken Long Bond	SP
Coffine Action	第二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十二十
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
A MONTH SEA COL (ACCOUNT	1 100 \$ cion: Y 107 \$
Agrico - Britis German COLO Commin	Lie thing Coming CHTSLAW LIPTUS BLANCON SHALL LIPTUS BLANCON FOR SHALL HIGHTO SHANNON FILES HI 4-72 S. Amour FILES HIGHTO Spain; PRIZE HIGHTO Spain; PRIZE

Munich Re moves on US market

By khuruw Plahar in Prankfurt

Leading reinsurance group in \$3.3bn takeover deal above-average growth and high production in the production of the production in the prod

Munich Reinstrance, the world's largest felhatif-gice company, yesterday amounteed its biggest ever taken with a \$3.50 offer for American Re-The move is similar at strengthening its presence in the dominant US market. The the dominant US market. The chinpuny sold terms had been agreed with kontinery Kravis Roberts, the New York buy-one specialist which owns 64 per tent of American Re, and with the latter's board. Maintch Res

totler of \$48 a share, which companies with Theodor's close and private applies to the equity hald by institutions and private absorbinders.

American Re has around 10 per cent of the un around 10 per cent at the unit was "a great step for ward". The transaction will be the country's third in 1892, the value of its equity in unit of the company are some taster. Multiple its has the individual in the last the individual in the last the company are some taster. Multiple its has the some taster in the company was some taster and put a tree and yeslerday's deal put a

be paid.
Attalysis were stuppined at Alialysis were surprised at the deal as Munich the hall played down its interest to played an American he. The German compaint has edged out Bimployers he (owned by General Electric of the US) and swiss he by paying what Mr Tom Bennett, burggan insurance analysis at Banque Pati-

tus Cunted Markets, called "a full price" — about three times its not worth. Munich Re said it saw stituctive growth prospects in the US, where American Re, based in Princeton, New Jersey, has mearly 80 per cent of its business. The rest is spread through north, south and centered through the centered through through the centered throu tral emerica, surces. And and the market. It said american he had a record of

after provisions for aspestos and politicon claims, without these, it would have earned a \$231m profit. in 1994, it earned net income of \$97.5m. In the first half of 1996, net income rose 85 per cent to \$97.5m. Munich Re said the deal would

> Continued on Page 10 A premium on size, Page 9 Lex, Page 10

raise its total premium income

Juppé denies conflict with Bank of France

by Atalesa Jack in Paris

The French government yesterday moved to deny stry division between it and the Bank of France in the face of continued pressure on the tranc, while streamy its shift to meet tougher budgetary

ter Alein Juppe, prime titti-ister, interrupted his initially to hold a press conference at which he distintesed recent fluctuations in the value of the fractions in the varies of the fractions of the start in a feeting and said there was "the con-flict" with the central laids. His also argued that the He also argued that the friends exceptions was strong, and strong his belief, display scipitions from the markets, that the government would be alle to maintain his offserive of a reduction or public spendingly that that would be sufficiently that the sufficients in the sufficients.

elect is successful actions for successful features who continues to continue to wise repeated yesterday morning, presents on the francing the successful action at twicked absolute the District, compared with First and District, compared with First act at the end of trading on Tomatay.

Officials end bir supple had returned which first end of trading on the print to parts off printed which end to speak out the response to running circulating about the currency.

response to runours circuating about the currency.

Alle countients chief the day after lift Jean Articula, ecutionics and thanks punisher, gave an interview in the magazine. gave an interview in the maga-zine Parts-Match its which he ruled out suggestions that Mr Jean-Claudes Trichies, bank of France governor, was among those likely to be putsued in new legal action integrised against former settlor officials triked to the management of Credit Lyomhais. There have been along of renewed hostility towards Mr Trichet, appointed by the previous administra-

by the previous administra-litin, since President Jacques Christ gave an interview on French television on July 14. Mr Chirac argued that inter-est rates remained too high, and suggested that the state had not exercised adsignate tan not exercised adequate control to prevent the heavy this incide losses at the two builts Credit Lyotinals and credit runder de trance. Both were interpreted as singles against the Trichet, which institution determines adapted and state and the state

whose hatchers and every miss interest this public yall who was previously head of the franch treasury at the time when the state sat on the founds of and helped supervise detailors made at the two

Suggestions in the french presented the fire flew legal action beings to deprese the fille flew legal action beings to deprese the fille fire beings to deprese the fille fire beings to deprese the fille fire week, which dropped by hearly two centifies ever several days against the 1-likars.

In supple still yesterday that the fance of frame was independent and was playing its risk to ensure the stability of the frame signifies other leading burdless significated the determination.

It also stressed the determination

He also stressed the determination to take the "topprecedented" step of freezing public expenditure for 1997 in real terms, which along with tax cates would ensure "healthy the tile after the transport growth and allow france to reduce the public deficit to 3 per cent of gross domestic product next year.



tis secretary of state Warren Christopher (right) suffinitied Sibbolian Milosovic, Serba's president, and his Bosnian and Croatian counterparts to Geneva yesterday in an effort to resolve violations of the Dayton peace accords. The Croatian and Bosnian heads pledged to shoke up their Alliance a month shead of elections in Bosnia. Report, Page 10; Editorial Comment, Page 8

Foreign bank to appeal after court orders reinstatement of 166 workers

HSBC to fight Indonesia labour ruling

The Hongking and Shanghet Banking Corporation is to appeal against an indonesian labour court's ruling that it must reinstate 166 striking employees the bank dismissed

three months ago.
The bank's determination to pursue the case is the first such action by a foreign bank and will set a benchmark in the settlement of labour disputes involving foreign compa-nies in inflorests.

"We cannot accept this ideci-Chingit in knin vite, Page 2 sion and will appeal against it," said Mr David Bennet, deputy chief executive officer at the bank's Jakarta hunch.

The dispute troke out this year after the bank and the transh think talled to signe on the renewal of a collective labour agreement, which covers conditions of employment, and about a third of the bank's

staff webt on strike: The bank in effect sacked ine striking employees after invoking a government decres

which states that an employee who has been absent for more than five consecutive days without permission has tesigned. The workers appealed to an arbitration budy within the ministry of manpower. The body ordered the bank to reinstate the workers with back salaries, and it half tintil this week to comply.

"not surprised" by the arbitration body's ruling, adding that the bank would try to resolve the issue through the legal svstem.

"Until we believe that justice and the due legal process have been served then we will take

Continued on Page 10

SBC profits boosted by Warburg's performance

By John Gapper In London and William Hall in Zunch

Swies Bank Corporation's 2000m (\$1.55m) purchase of the UK investment book 9.5. Wal-UK investment bank 8.6. Warburg last year last been tense
profiletie than it predicted at
the thire, SBC and yesterday
as it disclosed strong results
for the first last it the year.

Althuight several large tilk
companies dropped 850 Warburg as an adviser in an
uphenyal after the acquisitum
last May its corporate himses
are managed to retain to
yroth after losing money in
the second traff of last year.

SBC Warburg lists affect
improved profits in equity
sales and trading by commising SBC's expertise in derivatives and risk management
with 8.6. Werburg's long established presence in stockbroking in the UK and contrnental fourtys. The results neital librope. The tegilis indicate that SBC may have cleared a significant hirds to

indictant banks and brokers by continercial banks have tailed in the past because of advisoring colline clashes.

Bit's acquisition of S.C. Watching, which occurred after the UK's largest investment bank suffered a downturn in profits in 1994, has been attitude the most closely distreted of the deals that occurred in the wake of the collings in February 1995.

Some So of 186 directors in the conficulty in February 1995.

Some So of 186 directors in the conficulty in February 1995.

Some So of 186 directors in the conficulty althour realitied of ware distributed after the site acquisition.

Soc Warburg which knows

SHC striction.
SHC Warbirg, which forms the investment transmy arm of she investment to a 3s per such that the she is she investment profits. "Combinishing many of the tribes, we consider the integration of the tribes," said his George Hitmi, that in a strict the integration. Although theires for

its acquisition of Warburg. A tititible of purchases of UK separately, StiC said the operation that its and brokers it on gained mergers and acquiring continercial banks have (\$12/m) in what has been an active few months. This retained the curporate finance arm to profit.

Analysis said the benefits of SBC's acquisition had emerged there quickly than anticipated, although many investment banks have reported strong tainings this year Decause of buoyant equity markets, and merger and takeover activity. "There has been a turn-

"There has been a turnstrough in mergers and sciplishtions, and equity operations
have significantly exceeded
builgets," said Mr Peter Wuith,
Stic's chief inancial officer, it
had enabled Stic Wanting to
best its initial largets.
However, the higher pay and
buildess of investment bankers
inhated Stic's costs.

Investment side ditves prowite

Buy-In Management Buy-Out Led, structured and arranged by NatWest Ventures Edulty provided by NatWest Vehitures Limited Senior debt provided by Midland Bank Mezzenine provided by HSBC Investment Bank plc NATWISH VINTURIS Net West Feetures Limited, regulared by LAMO. Is part of Net West Markets, computate and investment betaken

FI/SP-A Wild Endiche... Lahdan SE .

France gets caught in the Emu vice bite the dust

10-year benchmark bond yields

Juppé, French citizen's sacred right to spend August undisturbed when he was forced to reassure volatile financial mar-

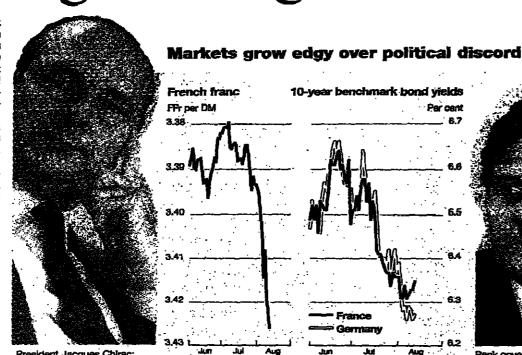
Turbulence on the French currency and bond markets in the past two weeks had necessitated repeated central bank intervention, and culminated in Mr Juppe's break from his holiday to deny the government was dissatisfied with the Bank of France's monetary policy.

The events highlighted the power struggles going on in France and Germany between the two countries' central banks and their political authorities.

Such things are normal in market-oriented economies. but the more independent the bank, the less likely that disagreements between ministers and governors over policy will make any difference to the markets.

"President Jacquest Chirac or Juppe can say what they like about the state of the French economy and its prospects for monetary union, but one statement by [Bundesbank chief economist Otmar I Issing about German repo rates can move the franc in a way they

never could." What he meant was that although most European central banks are today independent of political interference, none can claim to be independent of the Bundesbank. Because currency stability is a prerequisite for Mr Adrian Owens, a Londoneconomic and monetary



President Jacques Chirac

As one economist said: union, European interest rates have, in effect, to be The irony is that highlighting central bank independence as an important pre-requisite for European integration was the politicians' idea. Independence was seen as the most effec-

tive way to contain inflation rates in European countries. But with inflation now less of a concern than it was over the last two decades, the rigid stance of central banks is seen by politicians as "more of a hindrance based European economist

Central bankers, meanwhile, say their main responsibilities are to ensure sus-

at Julius Baer. "There is no inflationary risk today in The main challenge now facing France is to bring down its budget deficit to below 3 per cent of gross domestic product to qualify

for the single currency. In order to meet this target, "politicians are tempted to accept slightly higher inflation", according to Mr Owens. But not central bankers. So, central bank independence is increasingly seen by politicians as an impediment to Emu.

tainable, non-inflationary growth, and protect the value of their currency.

month ago when Mr Chirac publicly criticised the high level of interest rates in France and Germany. He was then rumoured to have explored ways of undermining Mr Jean-Claude Trichet. governor of the Bank of France, to force him out of office. Although these rumours were later denied by Mr Juppe, the underlying tension took its toll on the

French financial markets. The markets still think Mr Chirac believes Mr Trichet stands in the way of the

French government's desire to see lower official interest rates to boost consumption The first shots were fired a narrow the public deficit.

Bank governor Jean-Claude Trichet:

As a result, in the last two weeks the franc has depreciated from less than 3.40 against the D-Mark to more than 3.43 at one point. And 10-year French government bonds, which over the past several months had become more expensive (yielding less) than German bunds, have in the past week become cheaper. Higher bond yields mean the French treasury's

And financial markets typi-

cally fear political discord.

Brothers, attributes central banks' rigidity to structural rigidities in their economies. Cyclical levers, such as monetary policy, have more effect on liberalised, marketoriented, economies such as

the US. Central banks [in Europe] will be able to use monetary policy effectively only after European economies have been through major structural reforms." Another London-based economist said: "It must be frustrating for central bank-

ers to sit there and watch the politicians fiddling around with taxes and budgets when they can see more fundamental changes are required." Earlier this week, Mr Issing also pointed in that

direction, saying Germany's problems were structural rather than monetary. "If morale in Germany hinges on the Bundesbank cutting the repo rate by 10 or 20 basis points [0.1 or 0.2 percentage points], then things are pretty dire," he said. Meanwhile, Mr Fox

expects tension in the markets to intensify, with the reluctant to ease its rates as political pressure for it to do

so intensifies. Julius Baer's Mr Owens, however, points to what he admits is a slim glimmer of hope. If a pick-up in economic activity does material-ise - signs of it have already surfaced in Germany - politicians could become convinced that a monetary eas ing is not needed.

cost of borrowing rises. Mr Mark Fox, chief European strategist at Lehman Brothers, attributes central

By David White in Madrid

volleyball became an Olympic event, another competitive sport is on the point of disappearing - the centuries-old practice of rooster races at an obscure village in northern Spain. Under pressure from lobby

groups and animal protection laws, the mayor of Nalda, in the wine-growing Rioja region. has rehictantly called off this weekend's race. The woman holding the fort at the town hall yesterday recognised regretfully that

"finished for ever". The name "rooster races" is possibly misleading. The roosters did not actually race, but spent the time hanging upside down, attached by their feet to a wire strung between the two poles. The racing was done by horsemen, whose challenge was to pull the

the 200-year tradition was

cockerels' heads off while riding at full gallop. The event has up to now been the climax of annual festivities in honour of the Virgin and San Roque. Nalda's patron saint. Despite the decision by mayor Juan Bautista García, a Socialist, Sunday is still marked down

in the programme as Rooster Day". Last year the Rioja regional government said the race could not go ahead under its new laws if the

organisers persisted in

stringing up live cockerels. As a result the official competition was staged using dead birds.

11111

人物性

13.00

After some tense exchanges, some villagers decided to hold their own unofficial race in the time-honoured fashlon, away from the press and television cameras. But they were filmed nonetheless, by the Civil Guard, who started proceedings against those involved.

A formal statement from the local council said the race was being cancelled -"for the first time since time immemorial" - to avoid "rad situations" like last year's. The council of Nalda does not want to break a law which it accepts democratically, although it does not in any way agree with its content," it said.

Locals are cagey about expressing opinions. But one hotelier complained that trade would suffer. Nalda (population about 800) has no other claim to fame. "The race was what brought in most spectators. There were even four or five television crews, lots of people," be

"It's a pity," lamented the woman at the town hali. We have these traditions. and people from outside

mess them up."
"It's not right," another
villager told the local paper. "They are always picking on the roosters. But they don't do anything about the

Thousands flee in Grozny ceasefire

By John Thomhill in Moscow

An uneasy stand-off to Chechnya to meet top prevailed in Grozny last rebel commanders to pursue night after the Russian army and Chechen resistance fighters agreed a temporary ceasefire at midday allowing thousands of trapped civilians to flee the fighting.

But there were reports of sporadic gunfire throughout council, which Mr Lebed Chechnya yesterday as both runs. The former general sides accused the other of violating the truce. Correcontinued to patrol the skies firing at targets after the ceasefire was due to come into force.

Following a further meeting late yesterday afternoon, Russian and Chechen field commanders agreed to investigate further violations in an attempt to halt eight days of intense fighting which have left hundreds dead. Rumours in Moscow suggested Mr Alexander unless attacked.

By Matthew Kaminski in

The leader of Moldova's

impoverished breakaway

Trans-Duestr region yester-

day won guarded support

from neighbouring Ukraine

for easing cross-border trade

and securing energy sup-

self-styled Trans-Dnestr pres-

ident, got no support for

independence nor did he

THE FINANCIAL TIMES

GERMANY:

Paritaire No 67808D.

Editor: Richard Lambert, clo The Francial Times Limited, Number One Southwark Bridge, London SEI 981.

But Mr Igor Smirnov,

Lebed. Russia's national security chief, was also planning to make a second visit to Chechnya to meet top a permanent settlement.

But the Izvestiya newspaper reported that Kremlin infighting had delayed the signing of a presidential decree transferring more authority to the security were given broader powers.

siderable confusion among led out of the region. Russian officers yesterday morning about whether they had even agreed to ston fighting. Military officials initially denied reports that any deal had been struck with the Chechens but General Konstantin Pulikovsky, acting commander of federal troops in Chechnya, later confirmed he had ordered his troops to stop firing

brief civil war in 1992, has

a growing diplomatic role for

joined Russia and the Organ-

isation for Security and

Ukraine supports the Mol-

Co-operation in Europe as

for Russian-speaking Trans-Dnestr - a sliver of land

with a population of 700,000

and a border with Ukraine -

joint mediator.

turned into a stalemate.

Chechen fighters who in previous years had launched several lightning raids on Grozny before fading back into the southern mountains, appear to be preparing themselves for a long occupation of the Chechen capital and have blockaded themselves into several

quarters in the city.

hardline Chechen commander who led a hostage said he could only resolve taking raid on Budennovsk the Chechen conflict if he last year, said the rebels would not not stop the war Grozny and we have decided

Mr Shamil Basayev, a

a Reuters correspondent yesterday. Russian president Boris Yeltsin, who has postponed his holiday until next week to deal with the crisis, now faces an agonising dilemma in the absence of a political

to end it in Grozny," he told

solution. Either he must escalate

The Kiev government

fears a breakaway could

mea, a peninsula inhabited

and is concerned about a

continuing Russian troop

In 1992, when the local

Russian leadership in Trans-

Army based in Tiraspol, the

regional capital, intervened

presence in Trans-Dnestr.

Trans-Dnestr hopes raised on trade

The talks in Kiev marked affect its own links with Cri-

Ukraine, which in January by a majority of Russians,

dovan government's demand Dnestr opposed the indepen-



Russian woman in Moscow demonstrating against the war

"We began the war in the conflict and attempt to oust Chechen forces from former presidential chief of Grozny for a second time or staff who now heads the be forced into a humiliating climbdown.

The first option would result in thousands more deaths and could lead to the further fraying of the Russian armed forces. But the alternative could result in damaging political fall-out in

have stayed on, and a 1994

withdrawal agreement

Ukrainian foreign minister, yesterday called for the

destruction of a large muni-

tions stockpile in Trans-Dnestr to be speeded up and

said Ukraine might join the

saddled with runaway infla-

Mr Hennady Udovenko.

remains unimplemented.

Mr Nikolai Yegorov, the Krasnodar region near Chechnya, yesterday urged the Russian forces to stop talks and crush the Chechens.

"I am convinced we must not conduct talks with them. Experience shows talks inevitably result in a renewal of combat actions in Chechnya," he sa<u>i</u>d.

Neither Mr Alexander

Lebed, the Russian national

security chief, who led the

14th Army before entering

politics last year, nor the Russian leadership have hid-

den their dislike of Mr Smir-

nov, whose hard-line govern-

ment retains a strong

security apparatus and eco-

the politically sensitive plight of the Russian minor-

But Trans-Dnestr involves

nomic central planning.

Polish coalition row over insurance top job

By Christopher Bobinski

A senior adviser to Poland's finance minister has been appointed head of the country's largest insurance company, sparking a row within the ruling coalition.

Most of the executive board of PZU, which con trols around two-thirds of Poland's insurance market, resigned this week after Mr Roman Fulneczek was unexpectedly sacked to make way for Mr Jan Monkiewicz. Mr Fulneczek has links

with the Polish Peasant party (PSL), the junior partner in the ruling coalition, while Mr Monkiewicz, is a supporter of the former communist Left Democratic Alliance (SLD), the dominant coalition party. The PSL is angry about Mr Fulneczek's

PZU reported a net profit of 105.2m zlotys (\$39m) last

The move comes in advance of talks between the coalition pariners on an overhaul of the government's structure, which will involve senior ministers sbaring out a smaller number of cabinet places and is expected to see Mr Grzegorz Kolodko relinquish his post as finance minister.

Mr Kolodko was responsible for appointing Mr Mon-kiewicz - his adviser on banking and insurance pol-icy - to head the insurance

The reorganisation, which starts from October 1, involves establishing a new Treasury ministry to take over some functions of the finance ministry and other ministries, and merging industry with foreign trade in a new ministry of the economy. Seven ministries will disappear and four new ones will be created.

The PSL is expected to make a strong bid for control of the Treasury which will oversee privatisation and control state sector holdings. The party will argue that this post would compensate it for losing control of several ministerial jobs in the economic sphere such as industry and foreign trade.

Mr Włodzimierz Cimoszewicz, the prime minister. a member of the SLD, is reported to be planning to replace Mr Kolodko, the finance minister since 1993 with Mr Dariusz Rosati, currently the foreign minister, who is also linked to the **EUROPEAN NEWS DIGEST**

Second death in Cyprus clashes

A Greek Cypriot was killed and two United Nations peacekeepers were wounded yesterday when Turkish Cypriot soldiers fire on demonstrators in the buffer zone that has divided Cyprus since 1974. It was the second death in four days of intercommunal violence on the

Eyewitnesses said the shooting started after several hundred Greek Cypriots broke through a checkpoint near the spot where a man was beaten to death on Sunday. reportedly by members of an ultra-nationalist Turkish movement. The man killed yesterday had been trying to to pull down a Torkish flag at a sentry post.

Tension has been high since Sunday's clashes between Turkish Cypriots and a group of Greek Cypriot motorcyclists, who crossed into the buffer zone. The latter had ridden from Berlin to focus international attention on the Cyprus problem. Kerin Hope, Athens

European car sales grow

New car sales in western Europe, growth of which have been erratic this year, were up 6 per cent to 7,915,582 in the first seven months of this year, according to industry estimates. Official July figures will not be confirmed by the European Automobile Manufacturers' Association The estimates suggested the Volkswagen group

continued to reinforce its position as market leader by taking 18.3 per cent of the European market in July. That would raise its penetration for the first seven months to 17.5 per cent, from 17.2 per cent in January-June. Sales by Japanese carmakers rose by 9.6 per cent to 96,818 in July, accounting for 9 per cent of the month's market. Korean brands continued to do well, with a 48.5 per cent leap in sales to 143,628, a 1.8 per cent market share of the January-July period. Haig Simonian, London

Moscow buys big stake in Zil

Moscow's city authority has effectively renationalised one of the country's most famous industrial enterprises by buying out a big private shareholder in Zil, which makes trucks and the bulky black limousines once used by politburo members. Mr Yuri Luzhkov, Moscow's entrepreneurial mayor and long-time critic of Russia's mass privatisation programme, said Zil would be better run in state hands - in common with many other large

The Microdin trading company spent \$5m building up a 30 per cent stake in the company since 1993 but was not able to exercise sufficient control to force through a restructuring and appears to have sold its stake for som. Mr Luzhkov described the financial crisis at Zil as an example of an "ill-conceived privatisation" and said the city authorities would assume responsibility for making the plant profitable. The defence and agriculture ministries would soon place new orders, he said. promising to help the company diversify into other products, such as refrigerators. John Thornhill, Moscow

Contract trade-off demanded

Foreign companies should be awarded public sector contracts in Germany only if they invest in training their personnel, Mr Rudolf Scharping, head of the opposition Social Democrat perty's parliamentary group, said His demand is likely to add to the controversy over the

the awarding of contracts for projects such as power stations. The US is demanding that Germany create a proper appeals procedure to deal with complaints about the way contracts are awarded.

Mr Scharping said most companies were so focused on short-term profits and shareholder value that longer-term considerations were not heeded. "Naturally we can't dictate how training is to be done in Italy or France," he said, "[but] we need to recover some of our long term thinking and longer term investments. One of those is training."

Germany's trade surplus in May rose to DM9.5hn (\$6.4bn) as weak imports reflected sluggish domestic demand, according to preliminary figures from the Federal Statistics Office. The current account deficit rose to DM2.5bn, considerably higher than the DM0.7bn lest May but less than the DM4.5bn forecast by some. The shortfall reflected a deficit in services and investment income, analysts said. Michael Lindemann, Bonn

tion, refused last year to ity in the "near abroad". It to accept autonomy short of to stop fighting between implement an agreement for offer any new initiative for solving the festering conflict also gives the Russian army a toehold in south-eastern confederation or outright Trabs-Duestr militia and circulating the Moldovan with Moldova which, after a local troops. The 6,000 troops THE FINANCIAL TIMES Published by The Financial Times (Enrope) GmbH. Nibelungsuphat 3, 60318 Frankfurt am Main, Germany. Telephone ++49 99 156 850 Fax ++49 69 596 4818. Represented in Frankfurt by J. Walter Brand, Wilhelm J. Brüssel, Colin A. Kermard as Geschäfsführer and in London by David C.M. Bell. Chairman, and Alan C. Miller, Deputy Chairman, Shartholders of the Financial Times (Europe) GmbH are The Financial Times (Europe) Ltd. London and F.T. (Gesmany Advertising) Ltd. London. Shartholder of the above mentioned two companies in: The Financial Times (Immed.) Number One Southwark Bridge, London SEI 9HL GERMANY:

Hungary-Romania pact agreed

Dnestr opposed the independence of Romanian-speaking
Moldova, the Russian 14th unrecognised abroad and

Years of wrangling over minority rights brought to an end

By Virginia Marsh

Hungary and Romania yesterday cleared the way for the signing of an historic bilateral treaty aimed at normalising their relations. after years of wrangling over minority rights.

GERMANY:
Responsible for Advertising: Colin A. Kontard, Pruter: Härriyet International Verlacsgesellschaft midd. Admiral-RosendahlStratse 3a, 63:263 Nen Isenburg ISSN 0174
7763. Responsible Edutor: Richard Lambert, c/o The Financial Times Limited,
Number One Southwark Bridge. London
SEI 9HL
FRANCE:
Publishing Director: P. Mamviglin, 42 Rue
La Boctie, 75008 PARIS. Telephone 061
5376 8254. Fax (01) 5376 8253. Printer:
S.A. Nord Echir. 15/21 Rue de Caire,
F-59100 Roubart Cedex I. Editor: Richard
Lambert, ISSN 1148-2753. Commission
Paritatic No 6780RD. After two days of negotiation in Bucharest, the two neighbours said they had resolved all outstanding ssues and hoped to sign the treaty next month after one more round of talks to final-Paritaire No b/808D.
SWEDEN:
Responsible Publisher: Hugh Carnegy 468
618 6088. Printer: AB Kvallstidningen
Expressen. PO Box 6007, S-550 06.
Jönköging.
C The Financial Times Limited 1996. ise the text in Budapest next

strong western pressure to ries, and concern over the countries for limited autonagree the treaty. Both countries had been told they soured Budapest's relations would not be admitted to with Bucharest and Brati-Nato or the European Union slava and have been a source

ferences. A similar recognition

treaty was signed between between Budapest and Buc-Council of Europe recommendation on minority

Both Romania and Slovakia have been home to large ethnic Hungarian minorities since the vakia protested strongly last break-up of the Hapsburg month after Budapest signed empire after the first world a statement which supported war. Fear of Hungary's irre-The breakthrough follows dentism for its lost territo- minorities in neighbouring rights of the minorities, have omy, within European

until they settled their dif- of regional instability ever Bucharest and Budapest to Under yesterday's agree-

ment, Romania accepted the Hungary and Slovakia last inclusion of the recommenyear. At that time, talks dation, something it had previously refused to do. Howharest failed at the last ever, the two sides have moment over inclusion of a drafted a common interpretation of the document which Bucharest says does not imply either collective rights or local autonomy

based on ethnic criteria. Both Romania and Slodemands by Hungarian norms, in areas where they form the majority.

Few analysts had expected

make progress on the treaty before Romania's upcoming general elections. However, diplomats said Hungary had become more willing to compromise after the US and other western countries made clear they did not support its July statement. At the same time, Romania had launched a dip-

lomatic offensive to keep its goal to join Nato on track, sensing it was increasingly lagging behind other applicants. The alliance is due to make decisions on enlargement by early next year. The agreement will be a

welcome boost to the governing Party of Social Democracy which faces a tightly contested election in Novem-

2 4

٠...

11.5

. 2

5 . 2 . 222 . T

··· - 7 7 7 100

:4 4.25

the second the

Link Man

* = ***(13)

27-104

77.1

. .

7.00

-- 7-25 7 855

. .

- 1-2-4

. 70

.

3.20

- 9. 7

..... *: *,

. . . .

1 en 1 en 2 en 2

-

But the Republican party is courting minorities, reports Patti Waldmeir

Abner Mason should not be tian Coalition, according to famous. But this young, Mr Ralph Reed, the coaliblack, gay Republican has become something of a celebrity since General Colin Powell outlined a new Republican electoral strategy on Monday night -which he dubbed the Big Tent theory of unity in

As Mr Mason pomis out, his fame proves how small the tent really is. In a more diverse party, he would be less remarkable

Instead he has become mofficial spokesman for the Big Tent faction and carries Big Tent label stickers in the breast pocket of his starched button-down shirt. This North Carolina-born yupple is a member of the Massachusetts delegation and one of only 54 black delegates to the Republican party convention - less than 3 per cent of the total, despite valiant party efforts to stress the new diversity. As a gay Republican, he can number himself among an even smaller minority.

Mr Mason admits it is a lonely life in his chosen party but believes all that is about to change. "This party has figured out that it was on the wrong track. The party of Lincoln had become the party of Buchanan," he says, referring to erstwhile presidential contender Mr "African Americans are Pat Buchanan, an ultra-con-conservative. That's part of servative Republican who has made no secret of his opposition to homosexuality.

"But the party realised that that road leads to political oblivion, and this convention has taken the first steps to getting it back on track. The forces of intolerance have lost."

econd deathi

vorus clashes

Respondent the city allegan

Mr Mason bases that judgment on the fact that, though the ultra-conservative faction had its way with the party platform, the convention-speaking programme has been packed with Republican moderates. Monday's celebrity speaker was Mr Powell and Tuesday's was Congresswoman Susan Molinari, another candidate fordiversity, an abortion rights

supporter and a woman. Mr Mason says that is a victory for the party's presidential nominee. "Bob Dole lost the platform fight, but the platform doesn't matter," he argues, referring to action by the party's platform committee. Dominated by conservatives, the committee exiled Mr Dole's proposed references to tolerance of opposing viewpoints to a "minority report" or appen-dix. But when it came to podium speeches, the candi-

date triumphed. On the convention floor, however, Mr Mason's "forces of intolerance" are strong if not dominant. Some 500 of the 1,900 delegates are members of the ultra-right Chris-

Mr Raiph Reed, the coalition's director. He says 36-40 per cent are "evangelicals" and probably over half are religious conservatives. However moderate the image projected from the podium, floor delegates are, if anything, more uncompromisingly conservative than

The Rev Jerry Falwell, a Bible thumping, pocketbook-pumping media star and ultra-right Republican, is one of them. Asked whether he welcomed homosexuals into his party, the Rev Fal-well said he was happy to extend the Big Tent to gass and lesbians so long as they had no power over party-pol-

He quickly raised the subject of Aids, saying that while he had sympathy for Aids sufferers, the party had a responsibility "to encourage gays and leshians to stop doing the things that cause the disease". Republicans are counting on Mr Powell and Mr Mason to lure previously excluded minorities

under the new canopy, ...! Mr Kevin Fobbs, the highest-ranking black Republican in the nation as vice-chairman of the Michigan Republican party, believes his party is the natural home of black Americans.

our beritage. We believe in the family as central to the framework of society, we are religious, we believe abor-

"If you take away the Republican label, 95 per cent of my people will say Repub-lican values are their values." Mr Fobbs is a former community activist who sports a lapel button declaring allegiance to the muchcriticised Mr Newt Gingrich, Speaker of the House of Representatives. It declares be is "Newt's Friend". - 7.4

Mr Fobbs believes Mr Powell is the key to expanding the party's black base beyond the Tliper cent of African Americans who voted for it in 1992. But the general would probably have to stand as a Republican candidate, not just speak up for the party, to achieve

Many black Americans feel that if Mr Powell would not be comfortable in the party as its presidential nominee - a position ae could probably have claimed - they would not be comfortable in it as members.

The election result could depend heavily on whether the Big Tent can be erected in time. President Bill Chinton won in 1992 largely on the basis of votes from blacks, women, gays and other minorities. Mr Dole must erode his support in those communities.

All eyes on Dole to maintain 'bounce' The Republican party convention in San Diego will reach a climax tonight when

Mr Bob Dole accepts his par-ty's presidential nomination and delivers a speech simed at persuading voters that he can come from behind and win the White House.

Convention delegates, buoyed psychologically by a convention which has avoided dissent and captured largely positive headlines, will be looking to Mr Dole to sustain their party's new momentum beyond the close of business in San Diego For the first time in days,

Mr Dole last night became the focus of the convention proceedings, with the official choice of a nominee the primary item on the agenda. The previous days had been dominated by positive media coverage of his running mate, Mr Jack Kemp, and the convention's opening speaker, former General Colin Powell.

The surprise choice of Mr Kemp, and rave reviews of Mr Powell's speech, gave delegates an early morale boost. But by last night that had waned slightly, as Republicans faced criticism that they had scripted their con-



Patti Waldmeir reports on a positive if unsurprising Republican convention

Bob Dole waves after a lunch in downtown San Diego. He will accept his party's presidential nomination tonight

vention too tightly, for the benefit of television, and deprived it of both spontaneity and interest.

Mr Ted Koppel, host of one of the premier television news programmes, ABC's Nightline, left San Diego on Tuesday night saying his

show would no longer cover the convention. "This convention is more

of an infomercial than a news event," he told viewers. "Nothing surprising has happened. Nothing surpris-

to the made-for-TV convention. Rating figures for Monday night, when Mr Powell spoke, showed a 27 per cent drop from those for the equivalent night at the 1992

project an image of dull harmony from the podium. where speakers on Tuesday night avoided all mention of controversial topics.

Congresswoman Susan Molinari, chosen as keynote Partly this reflects a deliberate Republican attempt to speaker because of her superate Republican attempt to

not mention the issue in her

Mr Newt Gingrich, the controversial House speaker, was kept off the podium entirely during television prime time, allowed to speak only briefly before most network coverage of the con

vention began. Speaker after speaker kept

to the safest of Republican themes: attacks on President Bill Clinton, and promises to restore the American dream. The "dream theme" dominated the evening's proceedings: Ms Molinari mentioned and Congressman J.C. Watts, a black Republican, made 11 references in half that time. It was the central theme of almost every

Mr Dole will need to deliver the best speech of his life tonight if he is to prolong the "convention bounce" he can expect from the opinion polls, and overcome the 20-point deficit with Mr Clinton which he had when the convention

At that stage, Mr Dole was further behind his rival than anyone who has gone on to win in any modern cam-

Old guard defends international role

Senior party members at odds with grass roots on foreign policy, writes Jurek Martin

A funny thing happened on the way to the convention arena on Tuesday. Four well known Republicans got together to say (relatively) nice things about the United Nations and its secretary general, Mr Boutros Boutros

They were not delegates nor were they were running for office anywhere, but their credentials were impressive. They are Henry Kissinger, Alexander Haig, George Shultz and Laurence Eagleburger – merely four of the last five Republican secretaries of state (James Baker, the fifth, was absent).

Though they preferred to rake President Bill Clinton's conduct of foreign policy over the coals, their parallel mission was to remind anybody who wanted to listen that the Republican partyhas a long tradition of internationalism that has no business being ditched.

As Dr Kissinger put it, "the danger we faced in the cold war was defeat, the danger we face now is irrelevance." Naturally, they all said that a Bob Dole administration could be guarantesd to keep the US engaged as a true leader in global affairs more effectively than

the current one. That is not exactly the message of the party's platform, which contains some nationalist sentiments close to the heart of Mr Pat Buchanan, the former candidate for the party's nomination, who has little truck with foreign governments and international institutions.

Of many ripe passages, one attacks the "Clintonite

view that soon nationhood obliged to implement its as we know it will be obsolete: all states will recognise a single authority." That appears closer to the paranois of the rightwing militia movement that UN helicopters will soon descend all over the country to enforce

the New World Order. Another states bizarrely that Republicans will not "permit any international court to seize, try or punish American citizens." Those allies already concerned about US extra-territoriality in trade-related matters may wonder what this portends.

Other recommendations have been thoroughly foreshadowed, none more so than: "We oppose the compent of American troop to UN 'peacekeeping' operations under foreign commanders and will never men wear foreign uniforms or insignia."

The second part of this recommendation stems from a case dear to Mr Buchanan's heart - that of Corp Michael New, court-martialled last year for refusing to wear the UN blue beret.

Closer to the transatlantic bone is the demand for the "immediate expansion" of Nato to include the recently democratised countries of eastern Europe. Russia, the platform states, may have a special security arrangement with Nato" but no veto over its enlargement.

There is much more to the platform, but perspective is needed. Both Mr Dole and Mr Jack Kemp, his choice as running mate, say they have

every letter if elected. That

much is traditional. The greater risk is that in the course of the campaign a candidate offers hostages to fortune that may tie his hands in foreign affairs if he becomes president.

That was arguably the case with Mr Clinton's promise in 1992 at a largely Trish-American rally to appoint a special envoy to Northern Ireland. At the time this commitment greatly disturbed the British government and it did prove the harbinger of the US drive to bridge the Ulster divide.

The redemption of some promises may be avoided. In 1980, candidate Ronald Reagan said he would set "a date certain" for the release of the US hostages in Tehran after which military action would ensue, but the hostages were released at the moment of his inauguration.

This year, it is evident that the incumbent looks less vulnerable now in foreign affairs than he did two years ago. Recent successes in the Middle East, the Balkans and Northern Ireland look shakier than they did but the drum beat of criticism has become more

lack of interest in foreign policy from the electorate. Still, the four ex-secre taries of state implicitly warned Mr Dole not to get carried away and demonise Mr Boutros Ghali, as he has been doing for much of the last year, or to assume, as they argued Mr Clinton did, that the UN's only value is

as an instrument of US pol-

icy, thus risking the solidar-

ity of US relationships with

There remains the possibility of a foreign policy "surprise" before the November election. Both the Bal-

muted, reflecting the relative kans and the Middle East are alive with the threat of new terrorism and there have been recent hints from Cuban-Americans that they may again seek to provoke President Fidel Castro into the sort of reaction that may, in turn, force Mr Clinton to act dramatically.

But that is an easy and conspiratorial hypothesis and any administration response will also take on board the president's standing in the opinion polls. Bush did not intervene in Somalia in 1992 until after he had been defeated.

Argentine strike threatened

Argentine unions said yesterday they might call a general strike lasting 36 or 48 hours for the end of this month or early September in protest at an austerity package announced earlier this week by Mr Roque Fern-ander, the economy minister, writes David Pilling in

Last week, a national strike brought the country to near-standstill and led to clashes between strikers and the biggest strike faced by President Carlos Menem since he was first elected in

Austerity measures, which aim to save the Treasury an

annual \$4bn-\$4.5bn, would kill off demand and plunge Argentina back into recession, said a spokesman for the CGT union federation. The measures, including tax rises and an end to several industrial and export-promotion subsidies, would quickly bring the govern-

will decide whether to call a strike next Tuesday. The package, some elements of which need con-

gressional approval, would raise the outgoings of an average middle-class family the Orlando Ferreres ecoment into conflict with nomic consultancy.

Clinton moves on sweatshops

By Nancy Dunne and Stells

The White House will soon appoint a high-level task force to help ensure that clothing and footwear sold in the US are manufactured under humane working con-

The task force, which will include representatives of companies, and labour, consumer, religious and human rights groups, will have six months to submit recommendations for informing consumers about the conditions, both in the US and oversess, under which prod-ucts are manufectured.

The White House initiative follows the growing use by US worker rights activists of consumer pressure to improve working conditions both in the US and abroad. A boycott called by the

National Labour Committee, against The Gap clothes shops in the US, forced the management last December to promise to improve the let of young workers in the subcontracting factories in El Salvador. Pressure is being applied by the same group to improve conditions for Hai-

tians making Walt Disney

erchandise. Mr Clinton, prodded by Mr Robert Reich, his labour secretary, is advocating a less confrontational approach He is urging companies to be "good corporate citizens" by monitoring the working con-ditions of manufacturers who produce their goods.

At a White House meeting earlier this month, also attended by Vice-President Al Gore, Mr Clinton told chief executive officers of Nike, Liz Claiborne, and other market leaders:

are not brand names. They are the most basic products of our democracy."

The companies have pledged to co-operate. Their uled to meet others on the task force on September 6 in the White House. Under consideration is a

proposal to provide "sweatshop free lists or product labels. Rugmark International, a global programme, which uses labels to ensure no child labour was used in making hand-knotted rugs, was held up at the White House meeting as one modal.

Officials say the initiative is more than a political ploy in an election year when the president needs a strong turnout from labour. They point to a survey conducted University which found that

Americans would boycott stores selling goods produced in sweatshops. Almost 85 per cent said they would be willing to pay up to \$1 more on a \$20 garment if it carried a label guaranteeing that it had been made under

Concern about working conditions in the garment industry was heightened by the discovery of a California sweatshop last year where more than 70 Thai workers were kept in virtual slavery, earning \$1 a day to repay their passage to the US. Mr Philip Knight, Nike

chairman, did not endorse the labels approach but acknowledged that "we need to do a better job of publicly describing the actions we've taken to promote fair labour practices in newly emerging

中国出口商品这是会 THE CHINESE EXPORT COMMODITIES FAIR

the 80th Session Autumn'96

Covering a total floor space of 160,000 sqm., the current Chinese Export Commodities Fair is divided into six specialized exhibition halls, which are subdivided into 33 exhibition districts. The exhibits are displayed under six categories, i.e., Foodstuffs and Native Produce & Animal By-products; Light Industrial Products and Arts & Crafts; Textiles & Garments; Metals & Minerals and Chemical Products; Medicines & Health Products; Mechanical & Electronic Products. Thousands of Chinese foreign trade corporations (enterprises), who are of good credibility and sound financial capabilities, display more than 100,000 varieties of commodities here.

For invitation application or further information, please contact directly with China Foreign Trade Centre(Group) or the Commercial Counsellor's Offices / Sections of the local Chinese Embassies / Consulates or China Travel Service(H.K.) Ltd. and its overseas branches.

Business people from all parts of the world are welcome to the Fair.

Time: October 15th-30th, 1996 Sponsor: Chinese foreign trade enterprises Organizer: China Foreign Trade Centre (Group) Add: 117 Liuhua Road, Guangzhou, P. R. China Tel: 86-20-86678000 Ext. 87621, 87631, 86661664 Cable: CECFA GUANGZHOU

Hebron is test of Israel's intentions

rightwing government of Mr Benjamin Netanyahu is facing the first real test of its intentions towards the peace arrangements between Israel and the Palestinians

It is poised to decide whether Israel will honour last year's agreement to band over most of the West Bank city of Hebron to the self-governing Palestinian Authority, a decision which will both reveal the new premier's true colours and test the credibility of Mr Yassir Arafat, the Palestinian leader.

Mr Yitzbak Mordechai, defence minister, is believed to be proposing a rewrite of last year's agreement – the Hamas suicide bombings of second phase of the 1993 February and March. The

Israeli army security control when Mr Netanyahu's Likud vince Palestinians Mr Netanover Hebron. The Arab city, where 415 extremist Jewish settlers live in a fortified enclave surrounded by 130,000 Palestinians, is a dangerous flashpoint of continuing Israeli-Palestinian conflict and is the West Bank stronghold of Hamas, the Palestinian Islamist group

Under the Oslo agreement, which returned the cities and urban areas of the West Bank to Palestinian control, the Israeli Defence Forces (IDF) were to withdraw from four-fifths of Hebron by March 28 and hand over to Mr Arafat's security forces.

opposed to Oslo.

The outgoing Labour-led government postponed "redeployment" after the Oslo accords - by retaining decision was still pending Hebron would further con-

Where the rich live

won power in May on a platform which pushes aside the "land for peace" formula driving Middle East détente. Cabinet and security chiefs are at present discuss-

ing the withdrawal option,

and a decision is expected

Mr Netanyahu has said he committed to peace with the Palestinians and Israel's Arab neighbours, but Israeli security comes first.

He told Arab journalists at the weekend his government would decide on Hebron "in the next few days." His government now appears tempted to surrender only civilian control over Hebron. Coupled with last week's decision to expand Jewish settlement in the West Bank,

any Israeli backtracking on

yahyu's coalition of right- in the West Bank and he has wing nationalist and religious fundamentalists ple he is capable of wresting intends to configure Jewish settlement clusters in a way which fastens them to Israel while keeping Palestinian territory atomised into iso-

Mr Arafat held up last September's signing of "Oslo Two" until he got a commitment on Hebron. Any reversal now could be fatal to his diminishing standing among Palestinians. Over half the respondents to an opinion poll in the city recently said support for the Palestinian Authority was falling.

Mr Mustafa Natshe, the mayor of Hebron, said in an interview with the FT yes-terday that "Hebron is very important to Abu Ammar's (Arafat's) credibility, because it is the biggest city to show the Palestinian peocontrol of it".

Mr Natshe said: "If Israel wants to encourage Hamas and the Popular Front (for the Liberation of Palestine), they can try to keep control and give the rejectionists more influence."

He pointed out that the Hamas bombers of February and March emerged from Hebron and surrounding areas under exclusive Israeli security control rather than the towns run by the Palestinian Authority where Mr Arafat's security forces have got a grip on the anti-Oslo militants."The same would happen here," if the IDF withdraws, he said.

The Palestinian leadership rejects any changes to last the peace process.

a tiny millionaire elite.

"In countries like Brazil a

small number of people have

an extraordinary proportion

of the wealth, but in more mature markets like the US.

wealth tends to be more

evenly distributed," Mr

Private bankers and asset

managers are avid

consumers of data on the

size of the market they are

targeting: individuals with

large amounts of what they call "investable assets".

Profits from private banking

tend to be much more stable

than the volatile trading

income of investment banks

and to require much less

capital than traditional

One of the most widely

used estimates has been the figure of \$9,600bn produced

by Chase Manhattan Bank

in conjunction with consultants from the

McKinsey group. That

lending business.



year's agreement in Oslo underlining this is an international accord bearing the signatures not only of the Israeli government but of Presidents Bill Clinton and Boris Yeltsin, co-sponsors of

Chase's calculations

however, aim further up the

income scale than Merrill's

since they include only individuals with investable

Mr David Maude, an

economist and co-author of a recent study of the world

private banking market,

points out that the private

banking market is too

diffuse to measure with any

"Most wealthy people are

causes

pretty secretive, and that

problems when you are

trying to measure things.

he said. But Mr Maude and

most private bankers agree

that demographic and

economic trends are

generating rapid growth in

the wealth market. In

mature markets such as the

US and Europe, middle-aged

people from the "baby

boom" generation are now

inheriting property and other assets from their

parents, while faster growing economies in

regions such as the Far East

are throwing up large

numbers of newly wealthy

entrepreneurs.

degree of accuracy.

immediately

assets of more than \$1m.

on competition set to resume By Roger Matthews

S Africa debate

in Cape Town

The struggle between the South African government and big business over new legislation to reform competition policy is set to resume next month.

The outcome may also reveal how much future likelihood there is of government, business and labour achieving common positions on key issues.

Mr Alec Erwin, the minister of trade and industry, said yesterday the government's broad proposals on competition should be ready for publication in a few

There will then be broad discussions within the National Economic Develop-(Nedlac), and hopefully a draft bill will be ready to present to parliament early next year," he said.

"However I am not setting any rigid timetable."

ruling African National Congress opened the debate on competition policy last year by launching a series of sharp attacks on the five or six conglomerates which control over 75 per cent of the capitalisation of the Johannesburg Stock Exchange

General Mills

palcorp bran

TOTAL PART FOR

مياد . • •

Mr Cyril Ramaphosa, the secretary general of the ANC who is soon to leave politics to begin a career in business. warned the conglomerates government was determined to break "their stranglehold on the economy

However, the government later backed away from the conflict when Mr Trevor Manuel, then minister of trade and industry, decided there were too many flaws in the draft legislation and ment and Labour Council ordered that it should be redrafted.

Mr Erwin is expected to follow the same general approach adopted by Mr Manuel, but has the benefit of an enlarged drafting team.

India halts N-ban talks progress

India yesterday blocked immediate comment leaving forwarding a global nuclear test ban treaty to the full Conference on Disarmanent, sabotaging two-and-ahalf years' negotiations. Reuter reports from Geneva. Asked after a closed-door

committee meeting whether the Indian envoy had said she could not accept transmission of the text, Mr Stephen Ledogar, US disarmament ambassador, said: Yes, they did, just as they had last night in the informal meeting."

A European diplomat, who asked not to be named, added: "India confirmed officially it would oppose any transmission of the treaty text."

Ms Arundhati Ghose, the George Graham | Indian ambassador, made no

the ad hoc committee. But Mr Ledogar told reporters delegates would reconvene informally soon to draft the committee's report to the full Conference on Disarmament. "What we are going for is a consensus, in effect that the committee has no consensus," he said.

india says it will not sign the present draft as it fails to commit the five declared nuclear powers, the UK, China, France, Russia and the US, to a firm timetable for eliminating their nuclear Weapons.

The draft text says the pact will become law only when ratified by 44 states possessing nuclear power reactors, which would include India.

Now there are more rich to get richer

North America as the world's biggest centre for private wealth but will soon be eclipsed by Asia, according to a new assessment of the global wealth market.

Merrill Lynch. investment bank, and Gemini Consulting estimate that rich individuals with more than \$500,000 in financial assets controlled \$16,700bn last year, a figure which has grown by more than 6 per cent a year over the last decade.

Europe now has 1.7m such wealthy individuals with an estimated \$4,700bn. outstripping the 1.6m rich people in North America whose combined wealth is estimated at \$4,500bn.

But the study shows that the assets controlled by Asia's rich have grown at the much faster pace of 9 per cent a year over the past decade and now amount to more than \$4,200bn. Wealth is growing especially fast in task such countries as South Korea, Hong Kong, Singapore and Thailand.

Merrill Lynch acknowledged that compiling accurate statistics on the wealth the figures, which are

Saudi Arabia has placed an order with the

30 per cent.

Mark-2 search and rescue helicopters. The \$600m

the kingdom by French president Jacques Chirac.

companies Sikorsky and McDonnell Douglas Corporation.

Aerospatiale of France holds a 70% stake in Eurocopter,

with Daimler Benz Aerospace of Germany the remaining

Raytheon Corporation of the US has won a US army

contract valued at \$119m to upgrade Saudi Arabia's air

defence system. The company's electronic system unit

will manufacture computers and displays for the Saudi

Dutch-Thai retail venture

Ahold, the Dutch-based food retailer, has begun a

supermarket joint venture with Thailand's biggest

stake and will transfer to the company its 30

supermarkets with sales of \$500m.

with 70 per cent in the Netherlands.

supermarket chains.

Vietnam.

retailer, the conglomerate Central Group. The Dutch

joint venture company, making this Ahold's biggest

investment so far in its drive into Asia. Central Group,

owned by the Chirathivat family, will hold a 51 per cent

Ahold said the company would build "a high number"

of new supermarkets in Thailand soon. The joint venture

perspective" in Thalland, as only about 15 per cent of Thai food purchases are made in supermarkets, compared

Ma Wallaya Chirathivat, who leads Central Group's

of the new joint company. The company's stores will

trade as TOPS, a name taken from one of Ahold's US

Anzoil secures gas finance

private share placement aimed at financing the

development of a promising gas field in northern

Anzoil, the Australian oil and gas exploration company,

said yesterday it had raised A\$25m (US\$19.5m) through a

The find, in the Hanoi Basin 90km south-east of the

Anzoil said the money raised would be used for the

that it has drilled in the area. Drilling of a third well.

which contains estimated recoverable reserves of 180m

parrels of oil, would start in 10 days' time, Anzoll said.

The company said that if the gas reserves could be proven, some of the gas could be sold to an idle 35MW

power plant at Tien Hai, providing immediate cash flow.

It would also allow the company to commit to selling

gas to "a major 300-600MW power plant" which it did not

appraisal of the discovery, in the D14 well, the first of two

capital, is estimated to contain 1,100bn cubic feet of gas. which Anzoil has said could be used to fire power plants. Extra power generation capacity is needed in the north of the country to meet demand from industry in Hanoi, the surrounding Red River delta and the port city of

supermarket division, will become chief executive officer

Simon Kuper, Amsterdan

Jeremy Grant, Hanoi

would probably invest its cash flow of about \$15m this

year in expansion given Ahold's corporate policy of

reinvesting all of cash-flow. Ahold saw "huge growth

group will pay \$100m for a 49 per cent stake in the Thai

Hawk missile system. Contracts for technical training and

support are expected to increase the value of the contract to around \$195m. Sean Evers, Cairo

Wealth held by

individuals with more than

South America \$1,000br

North America 82,900br

Middle East \$700br

Africa 9360or 🗵 —

"We can't sav that \$16,700bn is an absolute number; it might be Mr David Pitman of \$14,000bn or it might be \$18,000bn," he said. But he is confident that

most other recent estimates, measure the relative growth of different regions and show a real increase in the wealth at the top end of the affluence scale.

We think the message is that more people are getting in

market was a difficult considerably higher than rich, rather than that only the rich are getting richer, he said.

America is held by \$11,500bn.

North America \$4,800c

Middle East \$1

Asia S4 20061

Europe S4 Tatho

South America 5

But the Merrill/Gemini data show that the concentration of wealth varies widely from region to region. Wealth in Lat-

estimate was produced in 1993, and Chase suggests it would by now need rounding up by at least 15 per cent, taking it above

\$11,000bn. A recent estimate by the Oliver. Wyman consultancy arrived at the figure of

NEWS: WORLD TRADE

Not very common, not much market **WORLD TRADE NEWS DIGEST** Saudi order Matthew Kaminski and Sander Thoenes on the uneven progress of an ex-Soviet customs union for Eurocopter

¬ he closed Soviet economy was a common market in the extreme. Its break-up into 15 Franco-German Eurocopter joint venture for 12 Cougar separate parts took a heavy toll, and attempts by some of helicopter order was placed just a month after a visit to the now independent countries to glue the economic bits back together are prov-Eurocopter won the order against competition from US

ing difficult. The favoured means is a customs union, founded last vear by Russia, Kazakhstan and Belarus and joined in March this year by Kyrgyzstan, under which member countries pledge to phase out import and export barriers, co-ordinate economic policy and work toward a common currency.

Others are considering joining. Their goal: to reverse the decline in interrepublic trade, which fell 26 per cent last year.

Central European and Baltic countries have managed to shift trade winds, which has produced export-led growth. But the ex-USSR countries have been less successful on both counts. The customs union suggests some governments might be increasingly eager to soften the blow on their closely knit economies using other

Kazakhstan, the oil-rich central Asian state, pushed hardest for the deal Trade with Russia has grown 50 per cent since the union was

Its staple exports - oil, gas, grain and metals, which in theory are to get better access - are four times Russian imports. Belarus is another enthusi-

Ex-Soviet states' exports and GDP Average annual per cent change 1992-94 Exports to Exports to Total ex-Societ rest of exports states -0.4 -30.7 -15.4 21.0 -30.2 -20.8 24 -10.6 -3.2

A Belarusan worker walks over truck engines lying in a Minsk factory last year. The plant was hit by a lack of parts once supplied by other former Soviet republics

reclaiming supply and sale markets in Russia.

Already there have been problems. Mr Aleksander Lukashenko, the president of Belarus, last month attacked Russia for not honouring its obligations under the customs union; he claimed it never wrote off his country's Moscow's troops are not charged for being based in his country.

While Belarus wants a hand-out, Kazakhstan appears to be playing the political game. Its president, Mr Nursul-

giants see their future in port for Mr Boris Yeltsin, the devised to transfer customs Russian president, and the union into Russian agreement on a coveted new oil

> pipeline that could unlock ficient. Kazakhstan's rich reserves. There have also been a not so easy to balance the number of unilateral moves interests of all these counnumber of unilateral moves that appear to fly in the face of any common economic punose. Recently Kazakhstan sim-

ply slashed high common import duties on cars, furni-ture, and machinery - all industries that Russia wants to protect - when Moscow refused to act.

As a result, a wide range of goods are excluded from tan Nazarbayev, earlier this duty free trade. And no reliast. There, large industrial year parlayed his warm sup- able mechanism has been they recovered the quickest. manufactured goods and lim-

receipts among the members, whose bureaucracles are already notoriously inef-

"Life has shown that it's

tries," said Mr Rustem Kuvatov, deputy chairman of the Kazakh customs committee. Other republics remain suspicious of Russian intentions.

When the Baltic countries of Latvia, Lithuania and Estonia refused to join the Soviet successor organisation, the Commonwealth of Independent States, the trade shock was severe, but them to depend on Russian

All three, and in particular Estonia, quickly found new markets in neighbouring Nordic and central European market reforms.

Though it has been less trade, Ukraine does not see a solution in a customs union. turns poorer members into year. raw material suppliers for Russia and guarantees markets for protected Russian manufactured goods.

Mr Anton Buteiko, Ukraine's deputy foreign minister, said his country wanted closer economic ties with Russia.

But he thought it should start with the basics. Even the free trade agreement between Russia and Ukraine the two largest ex-Soviet countries – "unfortunately does not work", Mr Buteiko said, "because our big neighbour excludes 168 products" from duty free trade

The various strains are making the customs union nearly impossible to implement. Even the increase in trade has been attributed to growing demand in Russia and generally an economic upturn rather than to the

Some western economists think that might be just as well. The central Asian countries, for example, are noticeably poorer than Russia and have a different economic profile.

Joining a Russian-dominated trade block could stunt growth by forcing

iting access to new markets, they say. Uzbekistan is a case in

point. Over the past few countries after implementing months, the land-locked republic has been under strong pressure from its successful in re-orienting neighbours to sign up. Diplomats in Tashkent, its capital, expect it to join the customs Officials say that it only union before the end of next

In a recent study entitled Foreign Trade in the Transition, the World Bank argued that if Uzbekistan were to join the union it would hurt economic reform. It said the country's now negligible trade with the rich industrialised countries would increase five-fold once its high tariffs were reduced and the economy was liberal-

The countries on Russia's rim also have the farthest to go to find new markets. Russia already has a trade surplus - fed by energy exports to the west and depends less and less on the ex-Soviet markets. The share of Russian trade with CIS members fell to 14 per cent last year, down from about 50 per cent four years ago, according to ING Barings, the Dutch-owned investment bank.

Not surprisingly, some neighbours visibly grimaced when a Russian minister urged the other ex-USSR states recently to resist the expansion of foreign producers" from outside the CIS. That also helps explain the cool reception for a new common market again created on Russian terms.

Malaysian companies to set up Tartar SE Two Malaysian companies Soviet Central Asia but has in common with other parts deputy prime minister and including a helicopter man- Vinod Shekar, STI's chief

connected to the royal family signed agreements yesterday to establish a stock Kuala Lumpur.

exchange in the Russian republic. republic of Tartarstan, writes James Kynge in The move was a new departure for Malaysia's corporate community, which

had no high-profile contacts of Russia, is undergoing a Mr Rashid Akhounov, the with Tartarstan, a largely privatisation programme foreign economic relations autonomous central Russian The two companies, STI

and Petra Khyra Investments, agreed to set up the republic's stock exchange along the lines of Kuala Lumpur's bourse, the third has invested in the newly-in- biggest in Asia after Tokyo dependent states of former and Hong Kong, Tartarstan,

and needs a viable stock minister. exchange.

sian King Ja'afar Abdul Rahman, Prince Naquiyudceremony between the com-

Prince Naquiyuddin's The eldest son of Malay- brother Imran is executive chairman of STL

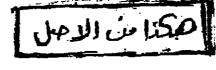
The two companies also din, witnessed the signing signed agreements to take part in other projects panies and representatives including property developof Tartarstan, including Mr ment and the privatisation

ufacturer, an optical plant, a executive. telecommunications firm, a water supply system and an insurance firm. It was likely that the Malaysian compastake in some of the privatised concerns.

Ravil Mouratov, the first of state-owned concerns water projects," said Mr has little track record.

STI and Petra Khyra plan

to hire international expertise to help carry out the various projects, for which nies may take an equity neither company has obviously relevant experience. STI is best known in Malay-"We've already started sia for assembling a sports work on the stock exchange car, Bufori, and Petra Khyra and the optical plant and was established recently and



Vfrica debate competition, to resume

KYOCERA, world leader in bligh-bach on continually develops new uses for its technology in the IT and automotive industry, medicine, elec-KYOCERA is also the producer of ECOSYS, Fax 0049-2131-129340

© KRIDCBÆ

THE FINANCIAL TIMES LIMITED 1996

FINANCIAL TIMES

COMPANIES & MARKETS

Thursday August 15 1996

LEGAL DEFINITIONS

pyramid selling n. 1 time-share operation run by ancient Egyptians (usu. I week for 5,000 years) 2 a system of selling goods in which agency rights are sold on to an increasing number of distributors. see ROWE & MAW: asap (ph 0171-248 4282)

Rowe & Maw LAWYERS FOR BUSINESS

Globe

Globe

Cellular

fraud hits

Telecom

By Edward Luce in Manila

IN BRIEF

General Mills buys Raicorp brands

The breakfast cereal war in the US intensified when Ralcorp, the biggest US maker of private label cereals, announced the sale of its branded cereal business to the rival General Mills group for between \$330m and \$360m in General Mills stock. General Mills said it would also assume between \$210m and \$248m in Ralcorp debt, putting a total value on the deal of \$570m. Page 12

Higher costs blamed for Fairfax decline John Fairfax, the Australian newspaper publisher which is the focus of bid speculation. announced a near-30 per cent fail in annual profits after tax but before abnormals to A\$101.5m (US\$79m). It blamed the underlying decline on higher newsprint costs and an increase in depre ciation and interest charges. Page 12

Nintendo moves to calm profit fears Japan's Nintendo moved to calm market fears that its performance has deteriorated sharply due to poor sales of its latest video games machine. It said sales in the current year would be slightly higher than its earlier forecast at Y340bn (\$3.14bn) and recurring profits - before extraordinary items and tax - would be Y85bn, as previously predicted. Page 12

Merita climbs 63% on disposais Merita, the dominant banking group in Finland, said profits rose 63 per cent in the first half of 1996 to FM681m (\$154m), although it attributed much of the increase to non-recurring items such as property disposals. Page 13

Diabetes unit lifts Novo Nordisk A strong performance in its core diabetes division helped lift interim pre-tax profits at Novo Nordisk, the Danish pharmaceutical company, 19 per cent from DKr1.03bn to DKr1.23bn

Autoliv aims for 20% of airbag market Autoliv, the Swedish automotive accessories group, said it expected to increase its share of the world's car airbag market to nearly 20 per cent by 2000 from the current 12-13 per cent. First-half pre-tax profits rose 17 per cent to SKr618m (\$93m). Page 13

Prospects rise of fresh UK pharmacy bid The likelihood of a fresh bid for Lloyds Chemists, the UK pharmacy group, increased when the two suitors, Germany's Gehe and UniChem of the UK, indicated they were poised to fulfil the government's conditions for acquiring it.

World platinum industry 'under slege' The platinum industry was under slege, its future in the hands of Russia, with its ability to sell big quantities of platinum and palladium from its stocks, said Mr Michael McMahon. chairman of Impala Platinum, the South African group, Page 18

1. 10 Merita

4 Molson

13 Munich Re

11 Nintendo

4 Omnitel

10 PZU

14 Raicorp

11 STI

14 Sanyo

1 Tadiran

14 Thai Oil

5 LiniChem

14 Revtheon

12 S.G. Warburg

13 SBC Warburg

14 Swiss Bank Corp

http://www.FT.com

FT-SE Actuaries indices

London share service

13 Novo Nordisk

4 Petra Khyra

4 Lloyds Chemists

13 Mayne Nickless

replaced By Greg McIvor in Stockholm

and Haig Simonian in London

Volvo, the Swedish vehicles group, said yesterday it was replacing the head and chief financial officer of its US truck subsidiary in response to plunging sales in North The group said Mr Per Lind-

quist, president and chief executive of Volvo GM Heavy Truck, was leaving his post with immediate effect. Mr Lars-Ake Pettersson, chief financial officer, had resigned and a new sales director was being appointed. "We are not satisfied with

the situation here in North America. Sales are not as good as we want them to be, espe-cially in the last six months," Volvo said Mr Karl-Erling Trogen, pres

ident of Volvo's truck division and a former head of its North American truck operations, is to assume Mr Lindquist's posinamed. Mr Lindquist, who took over from Mr Trogen in 1994, will be given other responsibilities in the trucks

Volvo's North American sales fell 31 per cent in the first six months and the comnany said it would implement a more aggressive marketing strategy to tackle the slump. It said it would rationalise the US heavy trucks unit, a joint venture with General Motors, of which the Swedish group owns 87 per cent. A finance company would also be created to offer broader services for buyers.

Volvo indicated its US truck operations had incurred a loss in the six months to June due to "very tough market condi-220,000 units in 1995 to 175,000 units this year, it said. Last year, Volvo sold 27,000 heavy trucks in North America; this year it predicts 21.000-22.000. Worryingly for Volvo, its regional market share has dipped from 11.5 per cent in 1995 to 9.5 per cent.

Despite the drop in North American demand, Volvo has maintained its commitment to a \$500m investment programme to modernise its US operations through new products and a restructuring of its North Carolina plant. Volvo hopes to arrest its

decline with the launch of its FH heavy truck in the US later this year. The FH, introduced successfully in Europe in 1993. has been remodelled for the North American market. Mr Jürgen Pieper, motor

industry analyst at Deutsch Morgan Grenfell in Frankfurt, suggested Volvo's problems in North America reflected a general cyclical downswing after three buoyant years. [management reshuffle] looks a little like a panic reaction. It is not likely to affect Volvo's prospects in the medium term," he said.

Volvo's problems reflect the plight of all three European truckmakers in the US. Together, Renault, Volvo and Mercedes-Benz command about 36 per cent of the US medium and heavy truck market and about 50 per cent of the market for Class 8 vehicles

In spite of their substantial presence, all three have had difficulties. Renault has suffered chronic losses at Mack Trucks, which has only recently started making operating profits.

Even Mercedes-Benz, the most successful of the three, had troubles with Freightliner

LTCB unit told to improve management after A US subsidiary of the Long-Term Credit Bank of

fraud in the cover-up of \$1.1bn in bond trading losses in New

Head of

Volvo US

truck unit

irregularities in its reporting of transactions

Japan revealed it had ordered

investigation of the banks'

New York offices. The LTCB Trust irregulariout the permission of the New

Japan's leading banks,

breached internal rules limiting the scope of the company's trading. LTCB Trust only permitted its traders to purch outright securities issued directly by the US government

Contrary to the rules, the trader bought outright in September 1994 notes issued by the Federal National Mortgage

notes. Other securities were to

be traded only on a repurchase

Association and a leading Japanese bank, but booked the transactions as repurchase agreements. As a result of the misreporting of the trades, a false report was filed to US regulators.

LTCB said it discovered the internal reporting error early in 1995 and took action to improve its control procedures, but said it only became aware of the false report to the US regulators in February this year. The New York State Banking Department emphasised that LTCB notified the authorities immediately on discovering the error, and co-operated throughout with the

abandoned hopes of breaking even this year for the first time in the wake of heavy losses from widespread fraud on its mobile phone network.

It said the fraud was perpetrated by professional syndicates who registered under the names of up to 23,000 wealthy

Philippines' third largest operator, yesterday said it had

individuals and ran up bills of 441m pesos (\$16.8m) in the first six months of 1996 alone. Globe's shares fell 1.50 pesos to 15 pesos. The group, which is 40 per

cent owned by Singapore Tele-com and 34 per cent by Ayala Corp, the country's largest diversified holding company, said net losses for the first half of 1996, including fraud, were 505m pesos.

The announcement follows Globe's decision to downgrade its target of 100,000 cellular subscribers by the end of the year to 65,000. It yesterday removed 23,000 non-existent subscribers from its Handyphone service, reducing the tally to 43,000 - the same as the number recorded at the

start of the year. Mr Filemon Berba, president, attributed the fraud to lax security but said some of the 23,000 cancelled subscribers could still prove legitimate. "It is still possible that there is a certain amount we can recover. That would be a bonus," he said.

Analysts said Globe's rush to raise its share of the Philippines' highly competitive (and recently liberalised) mobile and fixed line telephone market had led to basic errors.

Mr Alex Pomento, chief researcher at ING Barings in Manila, said: "If you are too dependent on a computer system which has a flaw in its program then things are bound to go wrong. It's also what happens when you are in too much of a scramble to gain market share."

Globe said it would introduce safeguards to prevent a

Unlike its main competitors, Smart Communications and Piltel, which are expected to have more than 200,000 subscribers each by December. Globe has not limited new subscribers' mobile phone air-

Japanese bank fined \$1m in US

Japan has been fined \$1m by US authorities and ordered to improve its internal management. The New York State Banking Department issued the orders against LTCB Trust after the discovery of irreguof the company's transactions. The incident will raise further questions about the quality of management at Japanese banks. It follows the Daiwa Bank affair last year, when the company pleaded guilty to

York and was subsequently improve the quality of their revealed in April that an expelled from the US and fined management systems after an employee at LTCB Trust had

Though the LTCB case is much less serious than the Daiwa affair, not least because larities in the official reporting LTCB's local management, of the company's transactions. unlike Daiwa's, immediately reported the problem, it again reveals management shortcomings at the overseas branches and subsidiaries of Japanese Only last week, the Rank of

several leading banks to

ties related to the company's securities lending business in New York. LTCB terminated last year, and the US authori-ties' order forbids the company to re-enter the business with-York banking regulator.

LTCB, which is one of

German chemicals group expects strong growth for year Hoechst profits surge midway

By Wolfgang Münchau In Frankfurt

Hoechst, the German chemical and pharmaceutical company, is expecting annual operating mofits to increase by nearly a third following the start of a recovery from a steep downturn in domestic demand.

The company yesterday reported a 103 per cent increase in pre-tax profits from DM2.13bn to DM4.32bn (\$2.9bn) for the first six months of the year, a figure inflated by disposals. Stripped of the financial effects, Hoechst said operating profits increased by an underlying 18 per cent.

The result underlines the continued strength of German chemicals groups and follows similarly strong figures from Bayer and Henkel. The beginning of the recovery in the domestic market is seen as a good sign for the medium-term prospects of the German economy, given the chemical industry's traditional role as a bellwether sector.

Mr Klaus Schmieder, finance expected 1996 operating profits to improve 30 per cent, a figure near the top of expectations. The group's optimism is based in part on a gradual recovery in its German business, which suffered a 23 per cent fall in turnover in the first half. About half of this decline was accounted for by disposals and the rest by a downturn in business and prices.

the German business had picked up in the second quarter, and the recovery had held up in July. The strong result confirms the effectiveness of



director, said yesterday he Jürgen Dormann: yesterday's results are seen as confirming the effectiveness of his strategy

Jürgen Dormann, chairman, They are also partly a reflec-tion of a successful integration of Marion Merrell Dow, the US pharmaceutical group which

DM26.1bn. The European proportion of total sales fell from of management adding value." 57 per cent to 50 per cent, while American sales went up proportionally.

the same level. This is a cas Mr Schmieder confirmed that Hoechst was planning to retain a majority stake in

Hoechst bought last year. Mr Peter Houghton, chemi-HMR, which is expected to be **Hoechst Marion Roussel** cals analyst at J. P. Morgan, floated in the autumn of next (HMR), the group's merged said: "This is a good set of numbers. If you think about it: pharmaceutical division, has The industrial business. achieved operating profits of when the company started to which is made up mainly of chemicals, is also likely to restructure, its ratio of equity DM1.04bn with an operating However, Mr Schmieder said margin of 16 per cent, only 4 to total capital was 34 per cent. assume a separate legal strucpercentage points less than the Since then it made a large ture by 2000. Mr Schmieder financial goal Hoechst had set pharmaceutical acquisition. said a listing of the industrial business would be "optional" and it got rid of a number of for 1997-98. In the six-month period, low-performing industrial busiand depended on market con-Hoechst's turnover declined es. And by the end, the ditions at the time. time. This enabled ghost subthe strategy adopted by Mr marginally from DM26.3bn to equity ratio will again be at Lex, Page 10 scribers to maximise fraud.

BICC slips into tions". The market was expected to contract from a record the red after shake-up costs

By Patrick Harverson

construction group, slipped into the red in the first half following restructuring of its German operations, property revaluations and write-downs. However, Mr Alan Jones, the chief executive hired last year to turn the struggling group round, said BICC's long-term recovery was on course. We're getting somewhere now and we've got something to show for it," he said, referring to the improvement in profits from the core cables

RICC, the UK cables and

Analysts said they were concerned about the downward pressure on cables prices and margins and continued stagnation in the construction market, but said BICC was heading in the right direction. A pre-tax loss of £2m, (\$3.1m), compared with a profit of £60m. was recorded in the six months to June 29 after the group swallowed £65m of

exceptional charges.
Rationalisation at KWO, BICC's German cable manufacturer, which cut its workforce by another 180 jobs, accounted for £25m of the charges. A £35m reduction in the book value of the group's

interest in the Spitalfields development in east London and £5m of other property provisions made up the rest. Excluding the exceptional charges, profits were slightly higher at £63m (£60m) on turnover of 22.29bn (£2.14bn). Although the performance of the non-North American

cables business was the high-

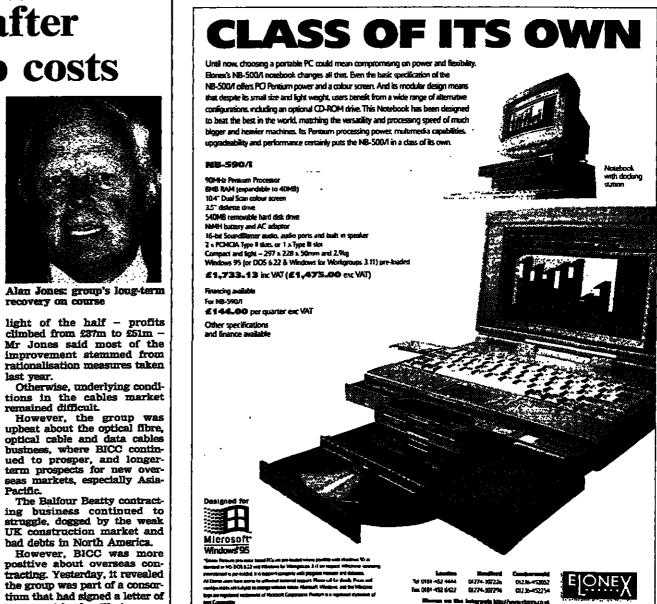
Alan Jones: group's long-term recovery on course light of the half - profits

climbed from £37m to £51m -Mr Jones said most of the improvement stemmed from rationalisation measures taken

Otherwise, underlying conditions in the cables market remained difficult. However, the group was

upbeat about the optical fibre, optical cable and data cables business, where BICC continued to prosper, and longerterm prospects for new overseas markets, especially Asia-Pacific. The Balfour Beatty contract-

struggle, dogged by the we UK construction market and had debts in North America. However, BICC was more positive about overseas contracting. Yesterday, it revealed the group was part of a consortium that had signed a letter of intent with the Thaigovernment to construct the first phase of an integrated trans-



American Re Anzoli Autoliv BICC Beng & Olufs Central Group Cooleson

General Milit Générale Maritim Globa Telecom

Akbank

Granada HSBC Henderson Land 10.11 Unocal Hoechst Hyundai Motors

12 Volkswage 12 Volvo 12 Westinghouse Kla Motors 12 ZII Koreen Air Market Statistics Annual reports service

Bend futures and cotions Bond prices and yields dities prices BAS currency rates Europoons prices FT/SZP-A World Indices

Short-term int rates Chief price changes yesterday

2.20 - 0.125

Labour disputes hit

Korean car groups

Labour disputes in June caused South Korea's two biggest carmakers to report a decline in earnings for the first half

Won51.6bn (\$63.2m), although sales grew by 10 per cent to

components supplier, Mando Machinery, caused Hyundai

first half were affected as Hyundai wrote off Won140bn in

extraordinary costs for the closure of its mothballed car plant in Quebec, Canada. Sales benefited in the first half

as Hyundai introduced three new models, including an

upgraded version of its popular Sonata medium-sized

Kia Motors, Koraa's second-largest car company, reported a first-half loss of Won10.3bn against a loss of

resulted from generous consumer financing

Posco posts 16% advance

South Korea's Pohang Iron and Steel (Posco), the world's second-biggest steel maker, reported a 16 per cent rise in net profits to Won385bn (\$471m) for the first half of 1996,

while sales increased by 3 per cent to Won1,174bn.
The improved performance reflected steady domestic

demand and higher prices for hot and cold-rolled steel in the Korean market, which accounts for three-quarters of

Posco's sales. Analysts said that Posco is also benefiting

The results exceeded earlier market predictions that

earnings would fall slightly due to a 15 per cent cut in the

from a lower interest burden due to a strong cash flow.

export price of steel this year. This reflected weaker

Inchon Iron & Steel, the steel unit of the Hyundai

Won10.1bn, because increased competition in stainless

steel, its main sector, resulted in substantial price cuts.

capacity expansion. Inchon recently announced that it

planned to build Korea's second-biggest integrated steel mill to compete against Posco by 2004. John Burt

Molson edges ahead in term

Molson, the Canadian brewing, hardware retailing and

(US\$15.1m), or 36 cents a share, up from C\$19.9m, or

34 cents, a year earlier, on revenues little changed at

entertainment group, posted slightly higher earnings for the first quarter ended June 30, though its share of the Canadian beer market shrank. Net profit was C\$20.8m

Molson last month reported a C\$306m loss for the year

group, reported a 49 per cent fall in net earnings to

Profits have also been affected by capital costs for

demand in China and Japan.

Won12.3bn a year ago. It blamed the poor performance on a two-week labour dispute at its plants in June. Turnover grew by 20 per cent to Won3,292bn following initial favourable reaction to the group's new Elan sports car and higher sales of its medium-sized Credos saloon that

John Burton, Seoul

saloon, a new luxury car, Dynasty, and a sports cur. the

to halt production in June. In addition, earnings in the

of 1996. Hyundai Motor, the country's largest car

Won5,556bn. A strike at an important supplier of

company, registered a 42 per cent fall in net profits to

COMPANIES AND FINANCE: ASIA-PACIFIC/THE AMERICAS

Higher costs blamed for decline at Fairfax

By Nikki Talt in Sydney

John Fairfax, the Australian newspaper publisher which is the focus of bid speculation, yesterday announced a near-30 per cent fall in profits after tax but before abnormals, to A\$101.5m (US\$79m) for the year to end-June. In the previous year it made A\$144.6m.

After abnormals, the slide was even more marked, with the group reporting earnings of A\$87.5m, compared with last time's A\$147.3m.

The main abnormal items included A\$15m in redundancy costs and A\$6.9m in executive severance costs. The group's top manage-

ment has been in flux over the past year, with Mr Stephen Mulholland stepping down as chief executive in September; his successor, Mr Bob Mansfield, announcing his departure in April; and other senior executives leaving in the interim.

Fairfax blamed the underlying profits decline on higher newsprint costs, as well as an increase in depreciation and interest charges. The group had already warned that full-year profits would be lower - although by a smaller percentage. In February, the company suggested that profits could be down 20 per cent on the

A heavy capital expenditure programme, now completed, also meant that the depreciation increased from A\$26.2m to

A\$41.5m, while interest charges were A\$44m compared with A\$36.6m. The group's revenues, meanwhile, increased by 6 per cent, to A\$1bn. This was ascribed to increased adver-

tising rates and the acquisi-

charge

print prices had risen by an

average 25 per cent and

coated paper prices by 40 per

cent over the year. This

added A\$35m to the group's

paper bill, and contributed

to a 14.8 per cent rise in total

operating costs, at A\$768m.

Fairfax said that news-tion of the Australian Geographic business. Fairfax said that circulation of its main publications improved, but that most saw lower advertising volumes.

It added that trading conditions had remained difficult in the most recent halfyear, although the decline in display advertising had steadied and "improving trends are now evident". 'Aggressive competition

within the banking and communications sector has been a particularly positive influence", it noted, referring to the spate of advertisements generated by Australia's mortgage price war and the battle for phone customers.

Fairfax's largest shareholder is Mr Conrad Black. the Canadian media proprietor. He has a near-25 per cent interest but cannot raise this further under Australia's foreign ownership

Mr Kerry Packer, the Australian businessman, has a further 15 per cent - also capped by cross-media ownership restrictions - while Mr Rupert Murdoch has a smaller stake, below 5 per

The new conservative federal government has promised to hold an inquiry into ownership restrictions in the media sector, but this has



Nintendo moves to calm market fears over profit

Nintendo yesterday moved to calm stock market fears that its business performance has deteriorated sharply due to the poor performance of its latest video games machine.

The Japanese group, the leading maker of video games, made an unexpected announcement of earnings forecasts for the current business year to March 31, saying that sales would be slightly higher than previously forecast and that recurring profits - before extraordinary items and tax would be unchanged from the earlier forecast.

Mr Hiroshi Imanishi, a Nintendo executive, said that sales in the year would be Y340bn (\$3.14bn), compared with the Y335bn forecast in May, while recurring profits would be Y85bn.

In the first half to September, Nintendo expects sales to grow to Y130bn, compared with an earlier forecast of Y125bn, and recurring profits to be unchanged

The announcement from Nintendo headquarters in available.

the week-long obon summer holiday, came in response to heavy selling of the company's shares on both the Tokyo and Osaka stock

This followed a newspaper report that Nintendo's recurring profits were likely to plunge 53 per cent in the year, from Y117bn previously to Y55bn.

Both the Tokyo and Osaka exchanges suspended trad-ing in Nintendo shares pending clarification.

The article in the Nihon Keizai Shimbun, Japan's national economic daily, appeared to confirm fears that Nintendo's latest video games machine, the Nintendo 64, has not been as successful as expected. The machine, which uses

the latest 64-bit technology, has been widely acclaimed, although it had disappointed Nintendo enthusiasts even before it was launched in July – more than six months after the initially scheduled launch last year.

Furthermore, once the machine appeared on the market, there were only three games software titles

The Republic of Argentina

7.625% Fixed Rate Notes due 1999

NINTENDO Historic P/E 1.29% Current share price ie to the Nildel 225 Average

Nintendo disputed the newspaper article's claim that inventories were building up at retailers, and emphasised that it was on track to ship 5m units in

Japan and overseas in the year to the end of March. By the end of December, 14 performance. more titles under the Nintendo name will be available to play on the Nintendo 64, while independent licensees are also expected to bring out further software titles,

the company said. Nintendo has already shipped 1m units of the its 16-bit and 64-bit games machine, which will

This announcement appears as a matter of record only.

be launched in the US at the end of September, it said. Inventories, meanwhile, were at an appropriate level of about 10 per cent.

In spite of the company's confidence, some analysts are forecasting a weaker Mr Joseph Osha, industry

analyst at Merrill Lynch in Tokyo, said in an earlier report that recurring profits were likely to be Y67bn, rather than the Y85bn forecast by the company, owing to the poor performance of

General Mills acquires Ralcorp cereals business

By Richard Tomkins in New York

The breakfast cereal war in the US intensified yesterday when Ralcorp, the biggest US maker of private label cereals, announced the sale of its branded cereal business to the rival General Mills group for about \$345m. It said it was selling its Chex, Cookie Crisp and Almond Delight brands to General Mills for between \$330m and \$360m in General Mills stock. General Mills said it would also assume between \$210m and \$240m in Ralcorp debt, putting a total value on the deal of \$570m.

The move will bolster General Mills's position as the second-biggest US maker of branded cereals, after Kellogg, while leaving Ralcorp to concentrate on private label cereals and its Beech-Nut

baby food business. Ralcorp's decision to sell its branded cereals reflects the severe competitive pressures that have built up in the US breakfast cereal industry over the past few months amid a price war between the market leaders - Kellogg, General Mills,

in Bangkok

A power purchase agreement between the Electricity

Generating Authority of

Thailand (Egat) and a pri-

vate consortium consisting

of Thai Oil, Unocal and

Westinghouse should be

ready for signature within the next four weeks, a senior

The agreement, to provide

700MW from a gas-fired

power plant located on Thai-land's Eastern Seaboard

industrial zone, will be the

first in Egat's ambitious plan

to source more than

5,000MW from independent

An agreement with the

Thai Oil group will quickly be followed by another with

the Tri Energy group, a con-sortium which includes

Thailand's Banpu, Texaco

and Black & Veatch. This second deal will see Egat

buying 600MW from a gas-

fired plant in Ratchaburi,

said Mr Piyasvasti Amran-

and, secretary-general of the National Energy Policy

"The only remaining issue is that of securing a

long-term natural gas sup-ply," Mr Piyasvasti said. But recent deals by the Petro-

eum Authority of Thailand,

the only legal supplier of

natural gas in the country,

to increase its wholesale natural gas purchases from con-

power producers by 2003.

Thai energy official said.

nears completion

The price war was triggered in April when Post, a division of Philip Morris, announced it was cutting prices of its Post and Nabisco brands by an average of

Ralcorp has been badly squeezed by the price war because the competition has narrowed the differential between the previously very high prices of branded breakfast cereals and Ralcorp's private label products. In June, Ralcorp

announced heavy job losses

Ralcorp said yesterday the

"We expect growth in the

Gulf of Thailand and to

source liquefied natural gas from Oman should resolve

The Tri Energy deal was

taking a little longer to nego-

tiate because the private consortium was more

demanding on the conditions

of a buy-out clause in the contract in the event of a

government default or other

Thai Oil and Tri Energy

were the top consortiums shortlisted by Egat in the

first phase of the state-

owned company's indepen-

dent power producer pro-gramme. Other bidders.

which were ranked lower on

the basis of price, fuel and

other considerations, were to

be given the chance to nego-

tiate an agreement with Egat only if talks with the

Nevertheless, it is possible that either Bangkok Energy

System, a consortium led by

Air Products & Chemical

and Ch. Karnchang, or TDF

Power, consisting of Loxley, Hemaraj Land, Tractabel

called in to negotiate a

power purchase agreement.

and Bechtel, could be still be

Both consortiums submitted plans for smaller gas-

fired power plants, and Mr

Piyasvasti confirmed that

Egat was considering pur-

chasing an additional

300MW in the first phase if

enough gas was available.

top two bidders failed.

cases of force majeure.

the matter, he said.

20 per cent.

as part of a cost-cutting drive. In July, the company

sale of the ski resorts and branded cereal operations would leave it virtually debt free and enable it to focus on its remaining cereal and baby food operations.

cereal category to improve and believe there will be significant opportunities to improve the value of our remaining cereal business over time, Mr Richard Pearce, Ralcorp's co-chief Post, and Quaker Oats. executive, said.

announced it had reached agreement to sell its ski resort division to Vail Resorts for \$310m.

ended March 31, including special charges and write-downs following disposal of its Diversey special chemicals business. Only one small metal finishing unit remains to be sold. Molson reduced debt by nearly C\$1bn and at June 30 had net cash of C\$410m.

Korean Air in loss at midway Korean Air, South Korea's largest airline, reported a loss of Won254bn (\$311m) for the first half of 1996 against a net profit of Won77.5bn a year ago, because of higher Thai power deal

depreciation charges and foreign exchange losses. However, increased overseas travel by Koreans resulted in an 8 per cent growth in sales to Won1,705hn. Analysts said that the loss was primarily the result of increased depreciation charges stemming from the first revaluation of Korean Air assets in 13 years. The carrier already has high depreciation costs because of an aggressive write-off of its fleet over a 10-year period

id of the 20 years normally international airlines. Korean Air also suffered from valuation losses on its mainly US dollar-denominated debt as the won weakened against the US currency this year.

Mayne to invest in healthcare

Mayne Nickless, the Melbourne-based transport, security and healthcare group, said yesterday that it planned to direct the bulk of the spare funds resulting from the forthcoming sale of its stake in Optus Communications, the Australian telecommunications group, into its healthcare division.

The announcement came as the group confirmed that it had signed a new joint venture agreement with Indonesia's Kalbe group. Mayne will have a 40 per cent interest in the joint venture, which plans to develop two private hospitals in Jakarta and manage a third. Mayne also said that it was "continuing to examine possible acquisitions in France, Canada and Australia"

Robert Gibbens, Montreal

Ashanti amends merger terms

Ashanti Goldfields of Ghana, the mining company in which Lonrho of the UK holds a 37 per cent stake, has amended the terms of its US\$290m bid for Australia's Golden Shamrock Mines. The company will now offer one Ashanti share for every A\$18.27 of GSM's convertible unsecured debentures, compared with one share for every A\$20.80 of GSM debentures previously. The two companies said they expected to announce further details on the timing of the proposed merger "shortly". Nikki Tait

The Sydney Harbour Casino group, in which Showboat of the US has a 26.3 per cent stake, yesterday announced an after-tax profit of A\$1m (US\$779,000) in the half-year to end-June, despite achieving revenues of A\$182.6m. Before abnormals, there was a profit of A\$24.8m. The casino group is operating out of temporary premises, while it builds a US\$650m permanent facility. Nikki

Sydney casino group in black

ING Barings

Euro Medium-Term Note Programme

Deutsche Morgan Grenfell SBC Warburg

issued under the

U.S. \$8,000,000,000

ABN AMRO Hoare Govett

Bank Brussel Lambert N.V.

Caisse des Dépôts et Consignations

NLG 250,000,000

CS First Boston

Dresdner Bank - Kleinwort Benson

van der Hoop Effektenbank N.V.

Kredietbank International Group

Merrill Lynch International

Paribas Capital Markets

UBS Limited

Rabobank Nederland

Bank Labouchere N.V.

Commerzbank Aktiengesellschaft

DG BANK Fortis Investments

HSBC Markets

MeesPierson N.V.

NIBStrating Securities N.V.

Salomon Brothers International Limited

ABN AMRO

HK airport services deal

By John Ridding in Hong Kong

The main aviation groups of China and Taiwan are to co-operate in a ground services operation at Hong Kong's new airport alongside an arm of Jardine Matheson, one of the territory's founding trading groups, according to an announcement made yesterday.

A statement issued by Jardine Pacific, part of the Jardine Matheson group, said that China Airlines, of Taiwan, would take a 15 per cent stake in Jardine Air Terminal Services (Jats). Jardine Air Services Limited, which is the leading shareholder of Jats, is a joint

venture between Jardine Pacific and CNAC, the commercial arm of China's aviation regulator.

Referring to the unusual alliance, Mr Stanley Ko. director of Jardine Pacific said: "This agreement brings together the PRC's CNAC and Taiwan's China Airlines, which are the second and third largest users respectively of airport services at Kai Tak airport." Kai Tak is due to be

replaced by the territory's HK\$250m at Chek Lap Kok. new Chek Lap Kok airport, one of the world's largest infrastructure projects which is set for completion in spring 1998. According to the companies, the partnership is expected to speed

baggage handling on flights through Hong Kong between mainland China and Taiwan, which do not have direct air

Jats will provide a range of franchised services designed to smooth transit at Chek Lap Kok, including loading and unloading of aircraft, transportation of cargo, baggage and mail and passenger baggage handling. Mr Ko said that Jats planned to invest about

A spokesman for CNAC expressed satisfaction with the agreement, adding that the mainland-controlled company-would continue to invest in Hong Kong when



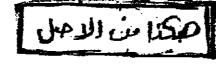
NLG 500,000,000 Floating Rate Bonds 1992 due May 15, 2002

In accordance with the Terms and

Conditions of the Bonds, notice is bereby given that for the interperiod from August 15, 1996 to November 15, 1996, the interest rate has been fixed at 2.48%. On November 15, 1996, the following amounts will be payable on NLG 10,000; NLG NLG 100,000 -NLG NLG 1,000,000: NLG

Rabobank International





16. 横

-

2.7

Z-476- 1

G-1713

-4 6# **S**

أنج مضنهون تدرسون

. S. Sandan 2740 344

प्रमेह जनस्म तेत 🚜

and the second second

Jadiran shead at 38m in first half

> ne

ere jarringen. armen of the The Real Property of

かったは Capes bis ai-lighte

~ Marc 1800

· in the # المهندة الما - تا ، سنا سنا

The Page

COMPANIES AND FINANCE: EUROPE

Investment side drives growth at SBC

Swiss Bank Corporation yesterday reported a 34 per cent rise in after-tax profits for the first six months of the year, from SFr540m to SFr722m (\$801.7m). It said it was helped by a strong performance in investment banking and asset management.

SBC estimated that after adjusting for the acquisition of S. G. Warburg, the UK investment bank bought for £860m (\$1.35m) in May, its net profit for the first half of 1996 was 24 per cent higher than a year ago.

Mr Hans Kaufmann, head of investment strategy at Bank Julius Baer, said that results of the acquisi-

van Zülle of Bank Sal. Oppenhein (Schweiz) said it was an important factor behind the improvement in SBC's return on equity, to 10.5 per cent. However, some analysts felt SBC's trading profits were not as high as expected; the shares closed SFr2.75 lower at SFr236.

The results suggest SBC is making ground in its efforts to improve the quality of earnings. The proportion of profits from fee and commission income has risen from 28 per cent three years ago to 40 per cent. However, operating expenses have

tion were showing through "better SF13.2bn are now higher than those and quicker than expected". Mr Syl- of the bigger Union Bank of Switzerland. SBC says that after adjusting for Warburg, its personnel costs rose only 7 per cent over the period.

The group's balance sheet grew by 7.5 per cent to SFr309.8bn. But a third of the increase was attributed to currency factors, and customer lending rose 2.3 per cent. Non-mort-gage lending fell 1.7 per cent after adjusting for/the effect of the US dollar apprediation. First-half net income was roughly

the same as the improvement reported last week by UBS. However, the sources of profit growth were also risen dramatically, and at markedly different, with SBC's net

commission income rising 58 per cent, to SFr2.1bn, or nearly twice as fast as at UBS. By contrast, SBC's revenues from trading and risk management rose 27 per cent to SFr1.5hn, while UBS's trading profits

jumped 50 per cent to SFr1.3bn. SBC, which usually earns a disproportionate amount of its profits from trading, says customer-related activi-ties and market-making were the main sources of growth, with proprietary trading accounting for only 13 per cent of trading profits.

net interest income rose 10 per cent to SFT1.5bn. Loan loss provisions rose 37 per cent to SFr681m.

On the traditional banking side,



group, says it expects to increase its share of the world's car airbag market to nearly 20 per cent by 2000 from the current 12 to 13 per cent, report agencies from Stockholm.

The forecast came as the group announced a pre-tax profits rise of 17 per cent, to SKr618m (\$98m), in the first half to end-June, on sales up 8 per cent at SKr6.03bn. The figure was a little ahead of analysts' estimates of SKr610m.

Earnings per share rose from SKr6 to SKr7.34. cent from Skr2.6bn a year

Tadiran

ahead at

\$38m in

first half

Ozanne in Jerusalem

kathing the east tipe at a midwa

green to meet at in healthing

positional of merger 188

Para a and a company in 1999.

By Avi Machlis and Julian

number of installations of airbags by established customers.

Autoliv has said it expects the world airbag market to be worth 100m units a year by 2000. The group produced less than 5m airbags last year.

and the increase to 20m by 2000 means a growth rate each year of nearly 40 per Sales of seatbelts rose

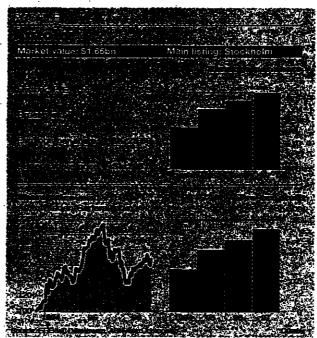
8 per cent, from SKr2.9bn a ar earlier to SKr3.2bn. The improvement in interim pre-tax profit is Airbag sales grew 8 per mainly attributed to increased integration within

rency fluctuations had a negative effect of 10 per cent on sales, offset by acquisitions which lifted sales 8 per cent.

The group, which was spun off from Electrolux, the household appliance maker, in 1994, has made several acquisitions to complement organic growth.

Its core markets are in Europe, where its customers include Repault, Ford, BMW, Volvo and Saab.

Operating profit for the first half was SKr585m, a rise of 20 per cent on the comparable period. Shares for the group rose SKr7 to close at SKr208.



Property disposals bolster Merita However, the results were

Tadiran, Israel's leading as property disposals. electronics company, yester The bank - formed last day reported record first-half

income and a 12 per cent increase in sales. Net income, excluding capital gains, rose from \$6m, or 31 cents a share, in 1995, to

\$37.9m, or \$1.59. \$13.9m one-time charge

results, with surging net

levied in the first quarter of Sales for the six months rose from \$519.4m to

Net income for the second quarter rose from \$12m last year to \$53m in 1996, including capital gains of \$33.7m from the initial public offering of Tadiran Telecommunications, its telecoms subsidiary, on Wall Street earlier this year. Nét income excluding capital gains was

Earnings per share, excluding capital gains, rose 61 per cent, from 61 cents in the second quarter of 1995 to 98 cents this year.

Sales rose 18 per cent, from \$264.4m to \$311.4m. Mr Israel Zamir, Tadiran president and chief executive, said the half-year results reflected the company's strategies of separating its civil and military arms and creating independent subsidiaries from company

The successful public offering of Tadiran Telecommunications [in March] is an important milestone in our plan to become a specialised strategic group consisting of high-quality subsidiaries,"

divisions.

Analysts said that, in spite of last year's problems, Tadiran's profitability had jumped to a higher level and was likely to rise through the end of 1996.

In Tel Aviv, Tadiran, which is 62 per cent owned by Koor Industries, the israeli conglomerate, closed 4.5 per cent higher at Shki2.55.

in early trading on Wall Street, Tadiran was up \$% to \$24%, a 3.5 per cent rise on Tuesday's close.

By Greg McIvor in Stockholm

Merita, the dominant banking group in Finland, said profits rose 63 per cent in the first half of 1996. although it attributed a substantial part of the increase to non-recurring items such

year by the merger of Kan-sallis-Osake-Pankki and Unitas - reported a rise in pre-tax profits from FM258m to FM681m (\$154m), higher than the FM491m earned in the whole of 1995.

not fully comparable, since the 1995 report excluded first-quarter profits from Kansallis. Pro-forma figures were not produced. Much of the pre-tax gain

resulted from disposals of property assets repossessed during the banking crisis of the early 1990s. The profits also included FM230m in write backs of previous pro-visions against problem loans. Underlying profits were FM473m, after stripping out FM208m of asset

chief executive, said group operations developed more favourably than expected in the first half, buoyed by strong activity on equities markets which lifted income from investment business.

He forecast full-year profits would be "firmly positive", reflecting a gradual recovery in domestic analyst at Paribas Capital demand and the stabilisation Markets in London, said of loan losses at "normal"

Markka-lending increased slightly but was outweighed by a drop in foreign currency lending amid Mr Veso Vainio, Merita tougher competition from said.

domestic and international benks. Merita said the decline caused a minor fall in inter-est income. Its "broad margin", its nearest equivalent

2.5 per cent. Mr Paul Vanner, banking Markets in London, said Merita's operating performance was encouraging but its cost-to-income ratio of 65 per cent was too high. "They definitely need to reduce

overheads by a lot more," he

to a net interest margin,

slipped from 2.8 per cent to

Diabetes unit leads rise at Novo **Nordisk**

By Andrew Amold in Copenhagen

A strong performance in its core diabetes division helped Novo Nordisk, the Danish pharmaceutical company, lift interim pre-tax profit 19 per cent, from DKr1.03bn to DKr1.23bn (\$215.2m). Operating profit rose 8 per cent from DKr1.05bn to DKr1.14bn.

Turnover for the first six onths rose 2 per cent, to DKr7.05bn from DKr6.93bn in the same period last year. Sales from continuing businesses, following the disposal of three subsidiaries. climbed 8 per cent.

The results were better than the market expected, and the shares ended up DKr19 at DKr869. The result gave credence to Novo's own target of between 10 per cent and 15 per cent growth in operating and pre-tax profits for the year. Mr Kurt Anker Nielsen, deputy chief executive officer, said expectations for the full 12

Sales growth of 10 per cent in diabetes care products, to DKr3.64bn, underpinned growth. Turnover in the healthcare business rose 7 per cent from DKr4.49bn to DKr5.21bn.

In the US, sales of Penfill refills for the NovoPen insulin injector rose 10 per cent, measured in dollars. The company says the market is unaffected by its lawsuit against US rival Eli Lilly, accusing it of "false and misleading statements" and trademark infringement. It refutes claims from Eli Lilly that its own insulin cartridges are suitable for use in the NovoPen.

Sales in the enzyme business grew 6 per cent to DKr1.18bn. In hormone replacement therapy treatments, they were up 8 per cent to DKr411m, while there was a modest 1 per cent sales rise in human growth hormone Norditropiu. Licence fee revenues from the group's Seroxat anti-depressant drug grew from DKr18Im to DKr202m.

NEWS DIGEST

Akbank advances 17% in first half

Turkey's overheating economy helped drive profits ahead at Akbank, the country's biggest private-sector bank, which reported first-half net income up 17 per cent in dollar terms to \$178.4m. Analysts said profits were in line with their forecasts, and they expected Akbank's to improve further in the second half when interest rates are forecast to rise sharply as the near-hankrupt treasury increases borrowing.

Many Turkish banks and companies now make most of their profits by lending to the government at very high interest rates. Ms Aslihan Sen, analyst at Istanbul's Global Securities, said: "Akbank has a larger ratio of [treasury] securities to assets than other large Turkish banks, so my forecast for full-year net income is about \$365m." However, she said Akbank ran down its portfolio of treasury bills in the first half by about \$140m, to \$990m. as interest rates dropped to 115-120 per cent during the reporting period. Turkey's annual inflation rate is 81.2

High interest rates reflect rising political uncertainty and a deteriorating economic outlook. Turkey now has an Islamist-led government whose populist policies are fuelling inflation, interest rates and treasury debt.
However, Akbank has benefited from these unsustainable policies. The economy grew 6 per cent in the first balf, increasing demand for consumer and corporate loans while yields on treasury paper fell. Ms Şen says Akbank's ratio of loans to assets rose to 26 per cent from 19 per cent

Bang & Olufsen lifts dividend

Bang & Olufsen, the Danish audio and TV manufacturer, reported pre-tax profits of DKr272m (\$47.6m) in the year to May 31, up 8 per cent on the previous 12 months. B&O, famous for its sleek and expensive designs, managed to lift sales 2.4 per cent from DKr2.62bn to DKr2.71bn, in spite of tough market conditions in Europe. The company raised its dividend 25 per cent to DKr1.5.

Andrew Arnold, Copenhager

Omnitel holds loss to L260bn

Omnitel Pronto Italia, Italy's second mobile phone group, has unveiled an after-tax net loss of L260bn (\$171.5m) for the first half of 1996, seven months after launching its GSM mobile phone service. The consortium, which is 41.3 per cent-owned by Olivetti, confirmed its subscriber count at end-June at 300,000. Revenues for the first half were

Omnitel said it had captured almost 50 per cent of the Italian GSM market, and extended its network coverage to 52 per cent of Italian territory, or the equivalent of 78 per cent of the population. It said the positive trend in operating margins had enabled it to limit its net loss, with more than half - L164bn - attributable to depreciation and interest expenses. The company expects to reach

operating break-even in 1998. In the first six months of 1996, Omnitel invested L420bn of the L700bn planned for the full year. By the end of the half-year its total number of employees reached 2,300. On July 5, Omnitel's share capital was increased to L250bn. State-controlled Telecom Italia Mobile has a clear lead

in subscriber numbers of mobile telephone users in Italy. However, the majority use its older analogue system, although its own GSM user numbers are also expanding

Old shipping line stirs new wave of interest

CGM sell-off has attracted nine contenders

ompagnie Générale Maritime may not be among the French companies most closely followed by investors and analysts, but nine potential buyers have come forward to express serious interest in the forthcoming privatisation of the state-owned shipning group.

The nine approved by the government have until October 3 to study the financial details of CGM and submit formal bids, clearing the way for a sell-off before the end of the year.

CGM has 2,000 employees and operates 31 ships valued at FFr1.5bn (\$296.5m) on a variety of freight and passenger routes around the world, many connecting France to its former colonial territories. The group does not publish its full 1995 accounts until next week, and a lot of information on it

remains opaque. One thing is clear: CGM has a history of losses. Since 1977, it has had enjoyed just two years in the black and needed more than FFr7bn in state aid, including a final FFr1.1bn injection agreed with the European competition authorities earlier this year on condition it was the

last ahead of a sell-off. In the face of intensifying competition and pressure from the state for a sale, CGM has begun to restruc-ture and reduce its level of debt toward the industry

STM Fluance (Curação) N.V. By: The Bank of Tokyo M es Principal Paying Agent

average. Mr Philippe Pontet, the chairman appointed last year, recently forecast it would return to break-even during 1996.

The procedure to be used for the privatisation of CGM - a trade sale to a single buyer or group of buyers rather than a stock market flotation - has become increasingly common for small or sensitive stateowned groups in recent months.

Examples include Marseillaise de Credit and CIC bank, now under way; Thomson, the defence contractor, which was launched earlier this month; and Société audio-visual group.

What is more striking about the list of possible buyers for CGM - and which could raise awkward political questions - is that a number of them are foreign. They include Wilhemsen Lines of Norway, Hamburg-based Deutsche Afrika Linien, and OT Africa Line of

Another intriguing candidate is Compagnie Maritime Antilles Guyane. This line was founded by clients of CGM in the Antifies and Guyana with help from Mr Marc Fournier, former head of Navigation Mixte, a conglomerate created around shipping from which he was deposed last year by disgrun-tled shareholders. CMAG's reason for launching a bid is instructive: one of its backers has expressed fears that as long as CGM was nationalised, service was assured; with it in the hands of a private operator other than itself, that could change and the local economy could be threatened.

The French state's use of CGM as a tool for regional economic development, as much as a commercial group, could prove one of the biggest challenges for buyers and explains why one of the conditions for tender is that acquirers hold on to their investment for at least two years and specify plans for its routes.

ast month, the group conceded it had been associated with heavy staffing and high costs, but stressed that this image was no longer true.

Others are more sceptical, referring for example to its 80 per cent-owned SNCM subsidiary which links France to Corsica, and which charges high, inflexible prices on a near-monop oly route and recently built a hugely expensive ferry which operates at nowhere near full capacity. Significantly, SNCM – per

haps the most politically charged of all the group's activities - will not be sold off but will remain in the firm hands of the state.

Andrew Jack



Introducing a customized product for independent money managers.

In today's troubled environment, more and more money managers are discovering that a good way to streamline and enhance their clients' assets is to set up their own private label fund.

Bank Julius Baer provides a unique service to help you create such a fund in Grand Cayman, a stable and reliable offshore center. We can set up a customtailored fund with a very short lead time and reasonable legal, start-up and running costs.

This is a tailor-made service offered by a leading Swiss private bank that specializes in structuring creative packages for long-term, after-tax performance.

At Bank Julius Baer, wealth management is our strength. Personalized service is our commitment. Just call

Roland Eberhard (+41-1) 228 60 62. New York:

Robert Discolo (+1-212) 297 39 49

Grand Cayman:

Peter W.C. Goulden (+1-809) 949 71 12

BANK JULIUS BAER

The Fine Art of Swiss Private Banking ence: Zurich Geneva London New York Frankfurt Lugano Monaco Guernsey

real Grand Cayman Paim Beach Lox Angeles San Francisco Mexico Hong Kong

issued and approved by Bank Julius Baer & Co. Ltd. - Regulated by the SFA and Member of the LSE

NOTICE TO THE BONDHOLDERS OF U.S. \$75,000,000 (the "Bonds") **BTM Finance (Curação) N.V.** (the "issuer")

on a subordinated basis by The Bank of Tokyo-Mitsubishi, Ltd. Notice is hereby given pursuant to Condition 6 and 13 of the Terms and Conditions of the Bonds that the Issuer Intends to redeem on 27th September, 1996 (the "Redemption Date") all outstands Bonds at par together with accrued interest to the Badameter.

15th August, 1996

NATIONAL BANK OF CANADA USD 200,000,000 Floating Rate Notes due 2001

in accordance with the Terms and Conditions of the Notes. notice is hereby given that for the interest Period from Au-gust 15, 1996 to November 15, 1996 the Notes will carry an Interest Rate of 5.60 % per annum.

The Coupon Amount payable on the relevant Interest Payment Date, November 15, 1996 will be USD 143.11 per USD 10,000 principal amount of Note and USD 1,431.11

per USD 100,000 principal amount of Note.

By Christopher Price

The likelihood of a fresh bid for Lloyds Chemists increased yesterday as the two suitors, Gehe and Uniment's conditions for buying sale market. the high street drugs group. industry secretary, ruled last Gehe, said the group hoped

portion of Lloyds' wholesale tribution centres within two

Previous bids by Gehe and UniChem were referred to the Monopolies Commission Chem, indicated they were in March. Both have extenpoised to fulfil the govern- sive interests in the whole-

Mr Karl-Gerhard Eick. Mr Ian Lang, trade and chief financial officer of month that Gehe and Uni- to have agreements in prin-Chem must have agreements ciple signed for the sale of from buyers for a large pro- seven Lloyds' wholesale dis-

approval to open the way for a new bid. The government October 18 to comply with its conditions.

Gehe, the German group

AAH drugs retailer last year, for Lloyds. Advisers to UniChem.

which had mounted a £630m

the next two weeks.

The UK group had gave the two bidders until received about 25 expres- Gehe considered the value of sions of interest for the six Lloyds to have diminished centres it has been ordered to sell. Potential buyers Besides the wholesale busiwhich paid £400m for the included both domestic and ness, which he said was European drugs wholesalers. tabled a cash bid of £650m financial institutions and Lloyds operating profits, he management buy-outs.

Should they get approval from the DTI, the question cash and share offer for for both companies is the

pharmaceuticals business weeks. These would then be dent of meeting the DTI's Lloyds after the disposals before reviving takeover submitted to the DTI for criteria for a fresh bid within and last month's profit

> since the referral in March. worth about 2 per cent of also highlighted the difficult trading situation at the UK group. Lloyds' profits warning last month prompted Lloyds, said it too was confi-valuation they attach to analysis to cut current year

value of a company, I do not Mr Eick emphasised that know what does," Mr Eick said.

Mr Geoff Cooper, finance director of UniChem, was more positive. "We always knew that we would have to make some disposals when we made our last bid. We were also aware of the trading situation at Lloyds." Lloyds has 924 pharma-

cies, against UniChem's 424

Glynwed to slim down after decline to £40m

Glynwed International, the diversified engineering in consumer spending, with group, said yesterday it strong demand for Flavelwould dispose of 22 non-core businesses after announcing a 3 per cent decline in

interim pre-tax profits.

The disposals, mainly in its construction products division, are expected to be completed by the end of this year. Glynwed said the companies, which had suffered from weak demand for construction materials this year, no longer fitted its strategy of concentrating on export markets and higher margin

Profit margins fell in the six months to June 29 as the price of stainless steel and aluminium affected its metal distribution business Pre-tax profits fell to 11 per cent to £677.3m. However. Glynwed

reported signs of a recovery Leisure's Rangemaster cookers and Aga-Rayburn products. It also said there was a pick-up in industrial spending on its pipe systems. Mr Bruce Ralph, chief

executive, said: "The consumer durables business is becoming quite busy, and pipe systems are looking more positive with greater industrial investment. "No one is getting overly

tainly not euphoric, but we have no great concerns about these markets either." Much of the sales lift came from last year's £147m acqui- halved over the last 12 sition of Victaulic, the pipeline products manufacturer.

plans to repair and replace old water mains. However the pipe systems division turn in demand from the UK gas industry and reduced industrial investment in continental Europe. The picture was more

mixed in consumer and construction products, where sales of commodity-type products such as copper tube and PVC sections suffered from weak demand in construction markets.

But the most disappointing performance was in metoptimistic, and we are cer- als distribution, where Mr Gareth Davies, chairman blamed the drop in stainless steel and aluminium prices, some of which had almost months. Profits there fell to £6.1m (£11.8m) on sales of Victaulic helped it to capital- £167.4m (£178.5m).

> Two umbrella organisations will also be created: Granada International Prothe group's interests.

Leap at **Games** Workshop

Teenagers' insatiable appetite for gob-lins and dragons helped Games Workshop, the fantasy board game retailer, to increase pre-tax profits 47 per cent to £8.87m (\$13.8m) in the year to June 2.

Turnover rose 40 per cent to £44.9m, a rise which reflected increased sales across the company's six main export markets. France and Spain were particularly strong as the proportion of sales originating in the UK dropped from 50 to 45 per cent.

Twenty-five new high street stores were opened, taking the total number of outlets to 118 overseas and 90 in the UK. Mr Tom Kirby, chief executive, said the company planned to open at least 10 a year in the UK for the foreseeable future.

Group operations in North America had been restructured with the result that the company was selling directly to independent retailers in the US. In Canada, a separate company had been set up to develop

Mr Kirby said the company was keen to develop other export markets, seeing no cultural barriers to the appeal of the fantasy board games and associated modLEX COMMENT

Investment trusts

one placing war for Klein-wort European Privatisation Investment Trust (Kepit) has placed the Fresh Athrope or UK spotlight on the murky - no world of investment trusts. And with its fat termination fees, long management contracts and cosy relationships between company boards and investment managers, it is not a pretty sight. Ironione of the worst offenders.

cally, Kepit itself is not :70 Kleinwort's maximum £4m termination fee may look big. But at 0.7 per cent of funds under management,

it is less than half Henderson's termination fee for its TR European Growth fund, one of the bidders for Kepit. Moreover, Kepit's board has demonstrated its independence from Kleinwort by inviting bidders. This compares with many funds where the management company has a controlling stake and dominates the trust's board. One risk of such cosy links is that poorly-performing managers do not get the sack. Another is that trusts could be encouraged into launching bids that are driven more by the desire to win fees for the manager than to create value for shareholders. The best answer is for investors to avoid investment trusts without genuinely independent boards. That way, boards may start pushing for shorter investment management contracts. That should help narrow the sector's big discounts to asset value.

Hanson gas arm signs £100m deal

By Simon Holberton

Eastern Natural Gas, the gas subsidiary of Eastern Group, yesterday extended its portfolio of natural gas with a £100m (\$156m) deal to take Lasmo's and British Borfield in the North Sea. At the same time Eastern,

the energy subsidiary to be demerged from the conglomerate Hanson, claimed that it aad overtaken Mobil Oil as Britain's largest independent gas company.

Lasmo and British Borneo

years beginning in the second quarter of 1996 when the field comes into production. At peak consumption, Eastern will buy 120m therms of gas a year.

Conoco, a partner of Scottish Power in domestic gas distribution, is the operator of the Boulton field but is not party to the deal. East-ern would have been happy to buy Conoco's share. Mr Eric Anstee, finance

director of Eastern, said the gas subsidiary, had "over 12 per cent of the competitive retail market and, with its own 44.5 per cent and 9.5 per wholesale and commercial els and magazines. Expan-cent respectively of the markets, is currently han-ston in Japan, in particular. Boulton field. Eastern will 'dling about 7 per cent of all take their shares over 16 gas beached in the UK".

Granada plans city cable channels

By Raymond Snoddy

Granada Media, the Granada to be launched in October in group's television operation, s planning to launch citybased cable television channels aimed at specific ment and news, could offer regions in the UK and continental Europe.

The channels, some of only channels, the Mirror which could be launched Group's Live TV and Chanwithin the next three nel One, the 24-hour news months, are designed to channel owned by Associ-

149 of the Financial Services Act 1986.

satellite programme services a joint venture with BSkyB. Granada's channels, which would offer live entertainconsiderable competition to the two main existing cable-

Reconstruction becoming effective, the decision of the London Stock Excl

become effective and that dealings will commence at 8.30 a.m. on 27 August 1996.

to the approval of SJPC shareholders and of the High Court of Justice, is undergo

registered office of the Company at 27 St. James's Place, London SW1A INR.

This advertisement is issued in compliance with the requirements of London Stock Exchange Limited (the "London Stock

Exchange"). It does not constitute an invitation to the public to subscribe for, or purchase, any securities in Value Realisation Trust plc (the "Company"). Such securities are being issued to shareholders of St. James's Place Capital plc ("SJPC") as part of a proposed reconstruction (the "Reconstruction") of SJPC. Application has been made to the London Stock Exchange for the securities mentioned below to be admitted to the Official List and it is expected that, subject to the

Value Realisation Trust plc

(An investment company under Section 266 of the Companies Act 1985, incorporated in England and Wales, registered number 3184517)

Introduction to the Official List of the London Stock Exchange

of up to 93,303,119 Ordinary Shares of 10p each

and £48,984,137 nominal of

1.4 per cent. Convertible Unsecured Loan Stock 2006

Sponsored by Cazenove & Co.

The Company is a new investment trust which has been formed as one of the successor companies to SJPC which, subject

by SJPC. Details of the Ordinary Shares of 10p each in the Company and the 1.4 per cent. Convertible Unsecured Loan Stock 2006 of the Company are given in the prospectus (the "VRT Prospectus") published on 25 June 1996. Further details on the Ordinary Shares of 10p each in the Company and the 1.4 per cent. Convertible Unsecured Loan Stock 2006

of the Company are given in the document dated and published on 14 August 1996 (the "VRT Supplementary Prospectus") which has been published by the Company and has been prepared in accordance with the listing rules of the London Stock Exchange and delivered to the Registrar of Companies for England and Wales in accordance with Section

Copies of the VRT Supplementary Prospectus and the VRT Prospectus may be obtained during usual business hours up to and including 16 August 1996 (for collection only) from the Company Announcements Office, London Stock Exchange Tower, Capel Court, off Bartholomew Lane, London EC2N 1EP and up to and including 29 August 1996 from the

This advertisement is issued in compliance with the requirements of London Stock Exchange Limited (the "London Stock

Exchange"). It does not constitute an invitation to the public to subscribe for, or purchase, any securities in SIPC Newco plc (the "Company"). Such securities are being issued to shareholders of St. James's Place Capital plc ("SIPC") as part of

a proposed reconstruction (the "Reconstruction") of SIPC. Application has been made to the London Stock Exchange for the securities mentioned below to be admitted to the Official List and it is expected that, subject to the Reconstruction becoming effective, the decision of the London Stock Exchange to admit those securities to listing will become effective and that dealings will commence at 8.30 a.m. on 27 August 1996.

SJPC Newco plc

(to be renamed as St. James's Place Capital plc)

(Incorporated in England and Wales, registered number 3183415)

Introduction to the Official List of the London Stock Exchange of up to 279,909,359 Ordinary Shares of 15p each

approval of SIPC shareholders and of the High Court of Justice, is undergoing the Reconstruction. The struction is described in a document (the "Reconstruction Circular") dated 25 June 1996 which has been published

Gareth Davies, left, with Bruce Ralph: 22 businesses to go

Granada could use its facilities in London, Manchester and Liverpool to produce what it believes would be high quality television at day; Mr Lewis announced £2,500 an hour for large the creation of two new busiurban areas.

mer head of Mercury Com-Media three months ago, is videos and CD-Roms.

ity of producing television for networks in continental cities. Outlining his plans yester-

pesses: Granada Vision will Mr Duncan Lewis, the for- have the task of developing channels for the UK and the munications who became rest of the world; and Granchief executive of Granada ada Media Products covering

ductions under Mr Jules Burns and Ms Andrea Wonfer and Granada UK Broadcasting run by Mr David Lid-

Other areas being looked at include programmes that can cross international frontiers such as animation,

Bear faction questions targets

Ross Tieman looks behind the fall in Cookson's share price

he irrepressible optimism of Mr Richard Cookson Oster, the chief executive of industrial materials group Cookson, has been called into question by the stock market.

In the past two days, shares in Cookson have fallen 6 per cent. to 251p, as analysts again pared their

Mr Oster's trumpeted 1994 targets for operating profit growth - "double in three vears, triple in five" - look a good deal less achievable because of a hiccup in demand for circuit board manufacturing machines. Is the story of Cookson's remarkable five-year recov-

ery drawing to a close? Mr Bruce MacDonald, the NatWest Securities analyst who heads the bear faction. is advising investors to reduce their holdings. He says first-half profits from Cookson, expected on September 5, are likely to show a 10.5 per cent slide in operating profits from the company's electronic materials division to £32.2m.

Despite continuing strong performances from ceramics and plastics, he reckons the group will be hard-pressed to make up the ground during the second half. So for the year to December he predicts Cookson will make pre-tax profits of £201m, £10m below the analysts' consensus.

Mr Richard Rae, of ABN Amro Hoare Govett, has also cut his full-year forecast, to £200m - which gives a prospective p/e of 13.5. Supposing operating profits of £221m for the current year,

RESULTS

Mr Oster's target three-year rise from £140m in 1994 to came within a whisker of £280m in 1997 appears extremely challenging. Concern among investors

has been deepened by a shift in Cookson's cash flow situation. With capital spending rising strongly to more than £100m this year, Mr MacDonald calculates that the company faces a cash outflow of £37.9m, after an inflow of

£49.8m last year. But the bear case for Cookson is far from proven, the correction. ABN Amro regards the setback as a buying opportunity.

collapse after a headlong acquisition spree. Restructuring has focused it upon markets enjoying remarkable rates of growth. The star is electronic materials, from which Cookson, a world leader, earned revenues of £685m last year. Cookson produces the

plastic laminates from which printed circuit boards are made. It makes the solders and pastes which carry the despite the logic underlying current, and the ceramics used by others to make the capacitors. And it makes the machines used to etch the Cookson has travelled far circuits on to the boards

machines are behind the profits glitch. Multilayered boards, containing up to 12 circuits, have been replacing traditional cards in personal computers and other devices. Making them needs clever machines. Encouraged by rapid demand growth, Cookson's MPM subsidiary built a second plant to double capacity and took on another 100 staff. But during the first half, a

hiatus in the US computer industry caused MPM's sales to stagnate. The slowdown also hit its sister company Electrovert, making flowsolder machines. According to Mr Rae: "The problems are largely confined to the production equipment manu-facturing business."

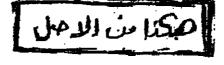
But signs are that demand from manufacturers is reviving. Dell, the US personal computer maker, says its sales are rising 18-20 per cent a year. Nokia, in mobile telephones, reports demand growth of 30 per cent. "The core markets of Cookson's electronic materials business are still showing satisfactory growth," says Mr Rae.

Elsewhere within Cookson, ceramics and plastics are also reckoned still to be increasing annual sales by 18 per cent and almost 10 per cent, respectively.

Cookson has broken its stride and its pace of growth, in sales and profits alike, may become less dependable. Investors hate surprises and the managers responsible are not forgiven in a hurry.

Sponsored by Cazenove & Co.
SIPC Newco plc is one of the successor companies to SIPC which, subject to the approval of SIPC shareholders and of the High Court of Justice, is undergoing the Reconstruction. The Company, the Ordinary Shares of 15p each in the Company and the Reconstruction are described in a prospectus (the "Newco Prospectus") dated 25 June 1996 which has been published by the Company. Further details of the Ordinary Shares of 15p each in the Company are given in the document dated and published on 14 August 1996 (the "Newco Supplementary Prospectus"). The Newco Supplementary Prospectus has been prepared in accordance with the listing rules of the London Stock Exchange and has been delivered to the Registrar of Companies for England and Wales in accordance with Section 149 of the Financial Services Act 1986.
Copies of the Newco Supplementary Prospectus and the Newco Prospectus may be obtained during usual business hours, up to and including 16 August 1996 (for collection only), from the Company Announcements Office, London Stock Exchange Tower, Capel Court, off Bartholomew Lane, London EC2N 1HP and up to and including 29 August 1996 from the registered office of the Company at 27 St. James's Place, London SW1A 1NR.
15 August 1996

ENTER A LANGE LANGE		AT (Em)	1940	e-tarx R (Ems)	9	S (#)	Current payment (p)	To etaC Innectypes	Dividends - Corresponding Dividend	Total for year	Total inc
BRCC 6 milis to June 29 Brandon Hire 6 milis to June 30 Cartic \$\triangle\$ 17 to June 30 City Centre 6 milis to June 30 City Centre 7 to May 31 Centres Workshop 7 to June 20 Bymwed kid 6 milis to June 20 Hershogway Props 6 milis to June 30 Independent lus 6 milis to June 30 Independent lus 6 milis to June 30 Independent lus 6 milis to June 30 Mocarch Res \$\pi\$ 6 milis to June 30	2,374 9,87 16 60,9 20,3 44,9 677,3 11 232,7 9,58 12 85,4 0,391	(2,140) (8.54) (10.4) (12.9) (12.9) (32.1) (609.2) (8.54) (207.1[7] (11.8) (13) (29.9) (0.294)	21.0 0.901 4 1.011.4 6.41 9 1.58 4 8.87 40.2 2.26 17.1 1.75 9 3.28. 0.448 3.8 7.051	(60) (0.2034) (0.4L4) (6.26\$) (1.35) (41.5) (1.46) (1.55) (1.40) (0.408) (2.84L) (3.89) (3.85L)	10.5L 3.1† 2.48 8.3† 18.2 10.99† 1.05 25.4 25.4 268L† 1† 6.44 42L	(6.5) (0.9) (-) (2.27) (8.6) (13.1) (13.23) (0.83) (24.1) (1.73) (0.33) (6.59) (26L)	4 0.9 - 0.45 4.675 4.8 4.4 0.165 5.3 0.375 - - 2.45	Jan 2 Dec 3 Oct 11 Oct 25 Oct 25 Dae 4 Nov 7 Oct 31 Oct 3	4 0.75 0.45 4.25 4.37 4.4 0.15 4.6 0.3175	6.325 6.8 -	12.5 2.25 2.24 5.75# 5.2 12.75 0.5 11.25 1.26
Investment Trusts		f (p)		outable gs (Em)		5 (pt)	Current payment (p)	Date of Phyment	Corresponding distinct	Total for	Total les
Duneliki Japan Yr to June 30 Jupillor Geared Shown basic. Dividends shown net Familias shown basic. Dividends shown net Maljosted for share consolidation. & Comp	93.2	(-)	0.084L -	(0.025L) (-)	0.31L -	(0.12 <u>1.</u>) (-)	1,4%	Sept 27		-	. <u>year</u> 7.788



TARREST OF THE PARTY OF THE PAR

il gold

micles

منيونين در در در

uson gas am 15 £100m deal

* * ---

. 47

Lustre of gold particles

n the constant quest to build smaller and faster Lelectronic devices, a new generation of semiconducting films, consisting of they gold particles, has been developed.

The particles are a few anometres (millionths of a millimetre) across and are stabilised by a thin coating of thiol, a small sulphur-containing molecule. This coating not only prevents the nanopar-ticles from coalescing, but induces the particles to order themselves into well-defined structures - an essential requirement for ensuring uniform electrical properties in

the bulk films.
Initial studies, carried out at Liverpool University, have shown that both the electrical and optical properties of these ordered films are governed by the size of the nanoparticles and the distance between them, both of which can be adjusted by modifying the

thiol coating. In separate articles published in Nature today, two US research teams, based at Northwestern University, Illinois, and the University of California, Berkeley, describe taking this a step further using molecules of DNA capped with thiol to control the spacing between the gold particles.

At room temperature, the DNA-coated particles assemble themselves into a close-packed structure and the films absorb light in the red region of the visible spectrum. At higher temperatures, the bonding between the gold particles breaks up and the well-defined structure is no longer stable. The colour of the film also

Two advantages are that these materials can be produced by simple colloidal chemistry techniques on a large scale and that the properties of the films do not appear to degrade with time. As these semiconducting films are half way between simple synthetic structures and biological materials, potential applications are endless.

His to have Carol Jones

Hertz return their rented cars to Heathrow and 12 other locations in Europe, they are met by Hertz representatives wielding hand-held radio data

Details of the vehicle registration number, rental agreement, mileage and fuel level are keyed in, and sent via base stations and computer links to the Hertz mainframe in Oklahoma City. Within 60 seconds the customer receives an itemised receipt from a printer attached to the termi-

This time-saving innovation is an example of an emerging trend in wireless radio frequency data communications (WDC) systems. An increasingly common feature of warehouses and distribution centres for food, pharmaceutical and other industries, they are beginning to make inroads in manufacturing, ports and con-tainer-handling terminals and other applications.

The trend is being driven by

the increasing sophistication of WDC equipment powered by 32bit microprocessors, along with reduced costs, greater reliability and enhanced "connectivity" of the software that links radio frequency (RF) equipment with other computer systems.

Companies which have used

WDC systems are realising the advantages of using them further "up" or "down" the production chain from their warehouses, says Patrick Bays, vice-president for international operations at Ontario-based Teklogix, one of the pioneers of the technology.

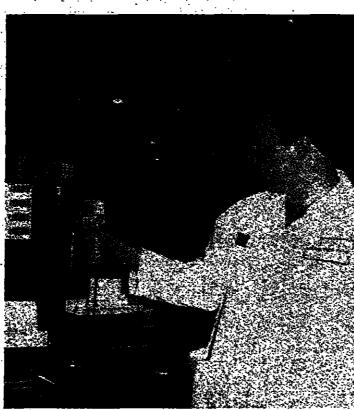
The Mississauga-based company supplied Hertz with its system and has been one of the main beneficiaries and instigators of this trend, which is partly motivated by the increasing maturity of the warehouse WDC market, at least in North Amer-

In the 1980s, says Bays, radio frequency data collection was a tool to improve stock control in a warehouse. Big companies were the first to realise that they could obtain efficiencies and quick paybacks, but as the cost of implementing an RF system came down, along with the price of stock control software, so a broader range of companies became customers.

Nowadays a typical order for an RF system would be worth about \$100,000 (£64,000) and would include several hand-held terminals and, increasingly, terminals that can be mounted on lift trucks. These would be linked by radio to base stations, whose number would depend on the size of the building and the frequency

Andrew Baxter on a fruitful linking of radio and computers

Wonders of wireless



hand used, and network control-Iers linked to host computers. Companies such as Campbell Soup and Glaxo Wellcome, for example, are using Teklogix equipment in their Canadian distribution centres. Terminals mounted on lift trucks pick up information from scanners of the bar codes on pallets or boxes of goods, send it to the warehouse computer system and receive instructions: Users obtain big improvements in the accuracy of

stock control information. It is not surprising that the technology is also attractive outside the warehouse. As John Anderson, computer services manager at Tilbury Container Services, points out, a container terminal is "just like a gigantic outside warehouse".

Container handling at the UK terminal, which is majority owned by P&O, has until now been manually-based he says. Clerks in a control room communicate by radio with drivers of the vast "straddle carriers" that shift containers around, or drivers are given a list of tasks. "The more you use voice, the more prone to error and slower the system will be." says Anderson.

ext month the terminal will go live in the first phase of a project in which about £100,000 of Teklogix equipment will be installed, including terminals in all 14 straddle carriers. Anderson sees hig benefits for productivity in giving "the people who do the work" - the drivers - the ability

to access and update the main

In the manufacturing sector. WDC systems can be used to access and update the information that accompanies raw materials and products as they move along the supply chain and through a factory, says Teklogix. Increased PC processing power allows more data to be processed and exchanged in a given time, so that the sophistication of the applications can be increased.
One important new application in manufacturing is improving

quality control. Whirlpool, the US white goods maker, recently began using it to track products as they come off the production line, to ensure they are put in the right packaging. In the UK, another US multinational, Caterpillar, has installed a Teklogix system to manage the flow of mate rials through its construction equipment assembly plant at Desford, near Leicester. In general, however, manufacturing sites in the UK have been relatively slow to adopt such equipment.

This is due partly to the higher initial cost of a wireless system compared with a hard-wired ver sion. But manufacturers are realising that a wireless system gives them more flexibility, particularly when they want to change the layout of production lines, savs Mick Wright, customer services manager at Teklogix UK.

The Capadian parent company is planning its next enhancement of WDC technology. In March it acquired Tampa-based Badger, which makes "ruggedised" portable computers used by transportation, field service and public safety businesses.

Unlike the current Teklogix system, which operates as a local area network, the Badger computer is used in wide area networks. This would enable data to flow from one warehouse or factory to another, potentially enabling Teklogix to cover the whole supply chain.

Production of the computers will be shifted to Mississauga this autumn, and the range will be integrated with Teklogix's existing products by next year. "Our traditional customers' needs are expanding to require wide-area data communication,' says Roderick Coutts, Teklogix chairman and chief executive.

Additionally, because the Badger machines use a Dos operating system, they are programmable unlike Teklogix's current terminals which depend on applications software. In some applications, it could be important to have a programmable terminal, especially with the trend towards "distributive" or decentralised computing, says Bays.

Worth Watching · Vanessa Houlder



Spotlight on solar power

At last solar energy is becoming a cost-effective alternative to more traditional power sources, writes Carol lones. A low-cost process, similar to that used for depositing anti-reflective coatings on glass, has been developed to manufacture large area photovoltaic devices based on copper indium diselentde

Traditional commercial solar cells based on amorphous silicon convert only 4 per cent of sunlight into electricity. The new cells can at least double this and soon could reach values close to the 14 per cent efficiency obtained from much smaller cells manufactured under extremely clean

laboratory conditions. Within the next year, Global Solar Energy, an Arizona-based company formed by Tucson Electric Power and ITN Energy Systems, will have the capacity to manufacture 255,000 sq ft of CIS modules a year, enough to produce 1.5MW of electricity. ITN Energy Systems: US, tel 303 420 1141; fax 303 420 1551

Fish caught on satellite

A satellite information system has been set up by the European Union in an attempt to stop illegal fishing, stabilise fish prices and cut down the wastage of unwanted fish.

The system will establish a satellite link between fishing vessels and ports, which will provide information about the fish available on the fishing vessels and the demand at the large ports.

The Infomar project, which has been set up under the EU's Esprit programme, involves Vega Group, a UK software company, Navigs of France,

Havinfo of Norway and Marsiar of Iceland. The £3.1m project is expected to improve the efficiency of the European fish market, where there are large variations in price between one

port and another. Vega Group: tel, UK (0)1707 391999; fax (0)1707 595909.

Cutting down on internal scarring

Many thousands of patients who have undergone abdominal surgery suffer from internal scarring. The scar tissue – or adhesions – can cause pain, infertility and

intestinal blockages. Genzyme Therapeutics, the US biotechnology company, has designed a protective film which reduces the risk of adhesions because it keeps

tissues apart during surgery. Seprafilm, which is made from two naturally occurring polysaccharides, turns into a gel inside the body. It stays in place for seven days – the period when adbesions are likely to develop - before

breaking down and being cleared through the kidneys. Genzyme Therapeutics: UK, tel (0)1440 703522; fax (0)1440

Audio retrieval makes itself heard

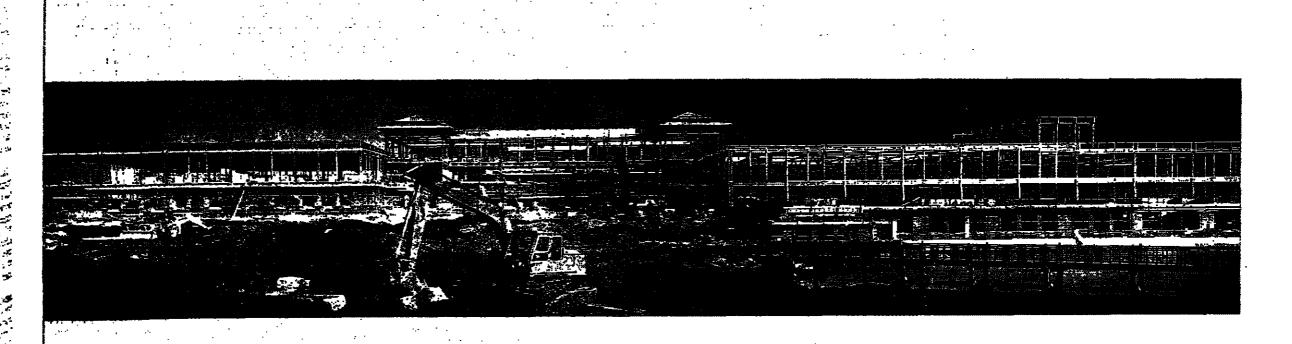
Unlike text, there is no easy way to store and retrieve recordings of the spoken word. Archives of radio, television, andio and video are virtually useless unless the items have been indexed, or translated into text.

Olivetti Research and Cambridge University have tackled this problem with the development of the prototype of an audio retrieval system.

Voice recognition software is used to compute a "lattice" of sub-words for each message or programme. To find and play back the item, the user types in search words, which are scanned against the sub-words. generating a display that ranks the recordings of interest.

The project was funded by the Department of Trade and Industry and the Engineering and Physical Sciences Research Council. Olivetti Research Laboratory:

UK. tel (0)1223 343000; fax (0)1223 313542.



The people who insure the plant also insure the site.



From the plant that helps lay the foundations to the buildings themselves, there is a company who can insure them both. UAP Provincial. As part of Europe's second largest insurance group, we have the strength to handle a full range of risks, from the smallest to the biggest. And you'll be dealing with experts who specialise in their particular field. Quite simply, UAP Provincial is an insurance company in which you can have complete confidence. Confidence that you can build on.

Working together to create new horizons

INTERNATIONAL CAPITAL MARKETS

99.85R Dec 2000 0.225R -3(91/1%-00) SBC Werburg

Step-up coupon slows Mexico DM deal VSNL may revive plan

World Bank Fed Home Loan Mig Corple)

Toyota Motor Credit Corp(s)

M ARSTRALIAN DOLLARS

KfW International Finance(c.s) 200

deal from the World Bank.

Demand was such that some

banks in the syndicate were

believed to be nursing short

United Mexican Sta

GUILDERS

New international bond issues

and Antonia Sharpe

Mexico's move to tap the D-Mark market after last month's successful \$6bn floating-rate note issue got off to a slow start yesterday because of the unusual structure of its DM1bn offer. The eight-year fixed-rate bonds pay 8% per cent for the first five years, representing a spread at issue

INTERNATIONAL **BONDS**

price of 288 basis points over comparable German government bonds, after which they are puttable at par. For the last three years the coupon steps up to 10% per cent. Lead manager Dresdner Bank blamed the step-up for the slow sales yesterday. "Investors need time to evaluate the structure of the transaction," it said. Dresdner expects that the

issue - targeted initially at institutions - will attract tor. To date, around 60 per widely-expected \$1bn 10-year while a further 20 per cent

cent of sales have been to German investors and 40 per cent internationally.

Mexico needs the money to help repay a \$1.5bn government bond which matures in November - the country's last big debt repayment of the year. In last month's issue, one of the largest private financing operations ever, Mexico raised \$6bn with notes backed by oil export revenues.

The decision to tap the German market reflects demand for higher-yielding paper among German retail investors. On Tuesday, Turkey's DM500m offering - its second D-Mark issue of the vear - was sold largely to retail investors attracted by

the 8 per cent coupon. Deutsche Bank said Mexico's issue would have to be shifted quickly because many other Latin American issuers were looking at the market. It predicted that Argentina and Venezuela would issue D-Mark bonds in the next few weeks. Yesterday's other signifi-

cant transaction was the

positions by the end of the day. The swift distribution caused the spread on the bonds to tighten to 17 basis points from the launch spread of 18 basis points over Treasuries.

Joint lead managers Merrill Lynch and SBC Warburg said demand for the bonds was greatest in Europe, which took half the issue,

each went to Asia and rather than launch a new Japan. The US showed the deal. The new bonds were weakest demand, taking the priced to yield 23% basis residual 10 per cent.

99.195R Aug 2006 0.325R 99.915 May 2006 0.325

99.80R

Another rumoured 10-year ised when Federal Home Loans Mortgage Corporation (Freddie Mac), the US home said that since those bonds were trading near par.

points over Treasuries.

+18(7%-06) Mentil/SBC Warburg

The Swiss franc market dollar transaction material- remained active, with TMCC, a coveted name among investors, tapping the marthrough a reopening of UBS said investors had May's \$300m deal due 2006.

Lead manager ket for SFr200m with a four-Lead manager Nomura durations after extending them to 10 years last week. The bonds traded at less Freddie Mac was prompted 1.30, within fees of 11/2 per

notional contract settled at performing bunds and most two-year note, which lost 123.54, up 0.12, while the Sepother European markets. % on Tuesday, was & stronger % on Tuesday, was & stron-

> higher at 1115.
> The Labor Department More important for the

> 30-year bond future was 🛦

for record Indian GDR

By Tony Tassell

Videsh Sanchar Nīgam Ltd (VSNL), India's international telecommunications company, appears to be considering reviving its much-postponed Global Depositary Receipt issue - the largest planned by an Indian

No official confirmation has been made by the company, but speculation is widespread in the Indian raised a total of \$400m broking community that VSNL will attempt India's largest equity offering on the international market by the end of September.

The move would be the third attempt by the company to make a GDR issue after first postponing \$1bn offering in

Brokers said VSNL is expected to cut the size of the issue to between \$500m. and \$800m, but this would still dwarf other GDR issues

by Indian companies.

offering to date was a \$300m offering in 1994 by Reliance Industries, the petrochemi-

cals to textiles group. Any VSNL offering would be a critical test of the appetite for further Indian paper from foreign investors.

Already this month, two companies, Tata Engineering and Locomotive Co and Industrial Credit and Investment Co of India, have through GDR issues, and foreign interest in the domestic market has declined as funds have diverted their attention to international

Brokers said the Indian government, which owns 82 per cent of VSNL, may attempt to launch its issue ahead of the \$10bn equity offering by Deutsche Telekom, expected in October or November.

This would allow State

The largest Indian GDR follow with its planned \$350m-\$500m GDR issue in October.

Secretary Charles

MCVEAL HE BOWA

D-Mark tu

(1957 194

772 15

yt an

Ling & A

(十) + 軽

× ----

P

40.F

44.55

DUACE CHORS MARKET

12

However, it is still not clear whether any VSNL issue would be part of the government's privatigation programme, which aims to raise Rp50hn by the end of

the year. One UK fund manager said that a VSNL offering would attract considerable interest from foreign investors seeking exposure to the Indian telecoms market.

However, he said the pricing of the issue would have to be "tight". The first issue was postponed after an unrealistic" pricing by the government.

The fund manager said that although foreign investors remained interested in quality Indian GDR issues, premiums have tightened in recent months.

The VSNL offering will be lead managed by Kleinwort Bank of India, the country's Benson, Salomon Brothers largest commercial bank, to and Jardine Fleming.

Currency weakness hits German bund prices

By Samer Iskandar in London and Lisa Bransten in New York

European bond markets future on Liffe lost # to traded quietly yesterday, in anticipation of today's closure of several markets for

the Assumption Day holiday. German bunds fared poorly as the D-Mark weakened against the dollar, allowing other European currencies to regain part of previous weeks' losses.

Liffe's September bund contract settled at 97.76. down 0.10, while in the cash market the 6% per cent bond due 2006 lost 0.13 at 99.64.

form bunds, their 10-year yield spread widening by 5 basis points to 170 points. The September long gilt close at 1071.

Market participants were disappointed by the release of data showing growth in average earnings reached 3.75 per cent in July, against expectations of 3.5 per cent. ber of unemployed was also larger than expected. Analysts said the data revived fears of a pick-up in wage-led inflationary pressures.

French bonds ended higher, supported by a **I** Italy had a half-day ses-

123.54, up 0.12, while the September Pibor future gained 0.14 at 95.80. Traders took heart from

BONDS who said the German economic recovery was fragile. Observers said his comments might indicate that

GOVERNMENT

Mr Otmar Issing, chief econ-omist of the Bundesbank, basis points to 320 points.

the Bundesbank's aversion to a lower repo rate was

markets. Matif's September gained about 1/4 point, out- the maturity spectrum, the

BUND FUTURES OPTIONS (LIFFE) DM250,000 points of 100%

Liffe's September BTP future closed at 116.34, up 0.51, while in the cash market the 10-year yield spread of BTPs over bunds tightened by 6

day recovered a small part of Tuesday's losses as data on productivity and business inventories came in line with analysts' expectations. Near midday, the benchmark 30-year Treasury price had risen to 9945, regaining is of the 1 it lost on Tuesday and sending the yield down one basis point to 6.784

■ US Treasury bonds yester-

ger at 100%, yielding 5.940 per cent, and the September

reported at mid-morning that non-farm productivity had fallen by 0.1 per cent in the second quarter. Although the decline has negative implications for the market, there was little reaction because the figure was widely anticipated. Also as expected, business inventories rose 0.1 per cent in June. market will be today's release of figures on indus-

trial production and capacity

FT-ACTUARIES FIXED INTEREST

122.16 148.01 162.39 185.32

Wed Day's Tue Aug 14 change % Aug 13

-0.06 -0.27

utilisation.

Up to 5 years (22)

5-15 years (20) Over 15 years (8)

South Africa set to name managers for DM offering

South African The government is set to name lead managers for the planned launch of a D-Mark denominated bond next

The country's finance ministry said yesterday that a decision to issue a D-Mark bond had been "virtually taken" and that lead managers would probably be appointed by the end of this week. Commerzbank and Deutsche Morgan Grenfell are thought to be high on the list of candidates.

The maturity and size of

122.23 148.42 163.05

decided but a five-year to political concern. seven-year deal of about DM500m is expected. The proceeds will be used to finance an existing DM400m facility which matures in October this year.

The yield spread of South Africa's existing D-Mark bonds has recently widened from 130 to 260 basis points over German government

Mr Jos Gerson, chief econ-Borkum Hare in Cape Town, attributed the deterioration to technical factors linked to the forthcoming issue and

7.17 8.00 8.09 8.12

7.21 8.05 8.15 8.20

5.84 5 yrs 6.39 15 yrs 7.40 20 yrs 7.36 irred.†

the issue have still to be said it did not reflect any

The government, which is also keen to establish benchmark issues for its debt in the US domestic market, is said to be talking to US banks about the possibility of a Yankee issue of about \$250m. It is expected that this deal will also be

launched later this year. As measured by J.P. Morgan's South African bond index, South African domesomist at brokers Smith tic bonds showed a negative return of 7.33 per cent in dollar terms in July, following a positive overall return of 7.35 per cent in June.

7,31

Aug 14 Aug 13 Yr. ago Aug 14 Aug 13 Yr. ago Aug 14 Aug 13 Yr. ago

7.85 7.28 7.23 7.85 7.34 8.24 8.08 8.01 8.27 8.12 8.26 8.14 8.09 8.29 8.18 8.34

UK gilts were the only firmer franc on the currency sion, during which BTPs per cent. At the short end of European bonds to underper-WORLD BOND PRICES **BENCHMARK GOVERNMENT BONDS** Coupon Date Price change Yield ago ago 6.750 11/06 90.6830 -0.060 8.12 8.07 8.79 6.250 05/06 98.8400 -0.140 6.31 6.28 6.28 7.000 05/08 102.8000 -0.110 6.82 6.03 6.78 7.000 12/08 97.7600 -0.370 7.31 7.32 7.75 8.000 03/08 104.9800 -0.140 7.25 7.23 7.40 5.750 03/01 101.2500 +0.120 5.44 5.44 5.65 6.250 04/06 108.3000 +0.050 8.29 8.27 6.55 8.000 08/08 103.0900 +0.050 7.55 7.55 7.63 8.950 02/06 0.0000 0.001 92.32 92.0 6.600 08/01 118,4197 +0.020 2.16 2.22 2.29 3.000 09/05 <t change Yield ago ago 7.86 6.47 6.74 6.78 7.95 103-03 -11/32 99-18 -22/32 104.5200 +0.150 6.53 6.78 6.79 7.000 US INTEREST RATES Treasury Bills and Bond Yields **BOND FUTURES AND OPTIONS**

	Open	Sett price	Change	High	Low	Est vol	Open int.
Sep	123.42	123.54	+0.12	123.58	123.28	58,096	189,570
Dec	122.16	122.24	+0.08	122.28	122.10	2,892	39,773
Mar	122.00	122.10	+0.10	122.06	122.00	412	7,709
III LONG	TERM FR	ENCH BON	ID OPTIO	NS (MAT	IF)		
Strike		CAL	LS			PUTS -	
Price	Sep	Oc	t D	lec	Sap	Oct	Dec
120	_	_		-	-	0.16	-
121	-	-		_	0.02	0.28	0.73
122	1.58	3 -	1	.30	30.0	0.60	-
123	0.70	0.3	6 0	.80	0.16	-	-
124	0.16	3 -	0	46	-	-	-
	ed Calls 2 572	Puts 6.335	. President d	law's open i	rt., Calls 134	US48 Puts 14	IQ,675.

0.94 1.30 E NOTIONAL ITALIAN GOVT. BOND (BTP) FUTURES (LIFFE) Line 200m 100ths of 100% Est voi Open i Open Sett price Change 115.90 116.34 +0.51 116.39 115.88 115.50 115.67 +0.51 115.65 115.45 ■ ITALIAN GOVT. BOND (BTP) FUTURES OPTIONS (LIFTE) Line200m 100ths of 100% 0.63 1.92 Open Sett price Change High LOW 100.57 47,072 Sep Dec UK MOTIONAL UK GILT FUTURES (LIFFE)* £50,000 32nds of 100% Open Sett orice Change High Low Est vol Open in

Strike			ws			PUTS	
Price	Sep	Oct	Nov E	Xec Se	p Oct	Nov	Dec
107	0-52	0-52	1-09 1-	26 0-14	4 0-62	1-19	1-36
108	0-16			62 0-4			
109	0-03			41 1-2			
Set, work to	Calls, Calls, 95	1 Puts 198	5. Previous d	≤agr's open k	AL, Calls 34	1363 Puba, 2	9006
-							
Ecu							
ECU E	IOND FUT	URES (M/	ATTE) ECU1	00,000			
	Open	Sett price	Change	High	Low	Est. vol.	Open Int
\$ep	91.88	92.02	+0.14	92.00	91.88	1,317	8,147
Dec	90.10	90.20	+0.12	90.18	90.08	430	887
US							
 - US TA	EASURY I	ROMD FIL	TURES (CE	an sum m	0 32 0ds c	4 10094	
							
	Open	Latest	Change	High	LOW		Open int
Sep	110-30				110-25		
Dec	110-09				110-09	1,964	30,050
Vier	109-28	110-00	-0.03	110-01	109-28	14	4,262
Japan	:						

MO I NO	ure ner					(CALL	-	EGOTONI IOCUPIA	O1 10078	_	<u> </u>	_					_		
	Open	Sale:	orica	Chang		High		ow Est vol	Open int.	•		O	pen	Clos	e Change	High	Low	Est. vol	Open i
_				_		_		.65 92960	242145	Se		12	0.17	-		120.28	120.15	3232	n/a
P	97.70	97.		-0.10		97.82 96.90			17719	De		11	6.89	_	-	119.00	118.89	2103	n/a
C	96.64	96,	39	-0.10	, ,	90,EU	-	1.80 2145	17719		_			ded on	APT. All Open				
IK G	ILTS I	DRIC	ES																
31X G		1111																	
			leki				work			Yesi_			en.	mosk			Yield		62 wa
	Notes			Price C -	+ ar –	idgh	Low		Historia Inst	Red	Prize £	+#-	High	LOW		Motes		Hotel + or-	High
								Trans 8 1:00: 200941	8.12	7.78	104B	-13	10025	10135	lades Linked				
res— guves o 20c 1996	i i i p i in 1940 Y		5.82	75011		22013	212&							948	lades Linkså 45pc 198#	M250 4	65 255	113/1	. 113% 1
e zpc 1890 version 10e		0.91 9.91	3.62 5.77	220 <u>] 1</u> 100 1 3	_	1046	100	Treas 71/200 2006##			97世	-4			2 ¹ 20c 101		289 341	19942	113% 1 1826 1 1778 1 1182 1 1884 1 1732 1
	E 1250	12.84	5.67	103.5		10813	1032	Treas 77apc 2006##			8614	-2		96 <u>a</u>	2½00 T3		117 3.55	18213	776 i
10 ¹ 20¢ 19		10.79		107114		10545	10211	Trees 8pc 2002-6##			他	-74		87°s	45mc 74##	.m35.6i :	125 158	1182 -2	11611
Correction	1997#	6.82	5.73	1014			101	Trees 11 Apr 2003-	9.73	7.60	12033	-3	125.3	118 <u>11</u>	2pc '06	(69.5)	1,35 3,61	18673	1884:
8 Lec 19	37#	6.52	5.79	1024		1042	1024	Trees 81-ac 2007 #	8.15	7.90	1042	-4	10875	181초	2120c '09		145 358	1664, -2	107 1
150¢ 199	7	13.59	5.93	11013			11013	Trees 13 tons: 2004		7.69	1332	-7	13813	13013	2 ¹ 290 11			726岁 二	173.5
94pc 195		931	5.93	1046	7	115 <u>2</u> 1072	1044	Treas Soc 2008 ## _	R.33		105/	-13		105	2 ¹ 292 13			41900	; 1450. 1
7 ac 19		7.15	6.12	1017	-1	1024	994	Trues Spc 2009	8.00		100%	-15		0623	2 ¹ 200 16		LS 1/6	190%	
6 kpc 19	95 98##	6.74	6.28	1006		101	98.à					3		81%	2 ¹ 200 2422		184 178	1430	1486
151apc 1	9811	13.18	B.42	1175		123	1175	Tress 6 1/4pc 2010‡	•		646						LB4 3.78 L64 3.77		122
12pc 198		10.80	6.57	1111		1144	1114	Coor Spc Ln 2011 #	834	8.08	10733	-4	1121	100%				1175 -	· ·
19 ¹ 200 19	999##	8.94	6.63	106.6		108点	105%							•	Prospective rea	i redenipii	on rete on	projected i	ndation o
: Alg Rub		_	_	991		10031	99%								10% and (2) 59	6. (b) Figur	es puberan	theses show	API bes
12 kpc 19		10.84	6.70	1136	-4	116∯	11233							1	indexing (is 8 m	ionitha prio	to parnej s	and have be	m adjusto
10 ¹ 2pe 1		9,61	6.74	1092	-&	1124	10033							-	reflect rebesing	_orRPI&	700 in F	obrussy 196	7. Corren
Ope 1999		6.12	6.75	97	-3	982	94%	Cour Filless Years							lactor 3.945. FF	1 for Nove	mbor 1995:	149.8 and (or June 1
	pc 1999	2.35	ᇤ	10943	4	112/3	108]]	Trees See 201244	8.34	8.00	10771	-3	1154	1042	15\$.0.				
9pc 2000		5.48	5.99	1063	}	1088 1249	10435	Tress 5120c 2008-12			7683	-13		75%					
13pe 200		10.84	7.08	119]3	-49	1245	1192												
14pc 199		12.43	6.30	1125		1173	117	Yrans Spc 2013‡‡	&.10		981	7		95]}	Other Fix	ed Int	arest		
Spc 2000		7,74	7.97	103,	-3	105%	191 쇼	Treat 7 kpc 2012-15		8,12	86,7			8352	•				
	2001			997		92%	99%	Tazas Boc 2015#	&10	8.11	95()	-4	1042	9562					
10pc 200	J	9.04	7.19	1105	-4	114	1002	Team Place 2017#	8.27	8.16	105資	-12	1115	102 ¹ 2		Notes	Yeak/ int Red	O	_\$2 wa Hisb
								Bech 12cc 2013-17.	8.90	8.18	13413	4	141提	13012 -		THAT	NH DEG	Price 2 + gr –	High
								Trees &nc 2021##			9913	-B	99.2	2573	Anian Day 10 ¹ upc 3	00A A	A7 8.23	11532	120 7
								11000 Ale con 144 -			24,52	- 2	14		There 11 200 201		29 8.75	1234	126 1
														Ì	reland Cat 87200 *	10 <u> </u>	<u> </u>	105%	
Allege			_			_									Bys. Cap 1998		185 -	104	100
7pc 2001	·#	7.06	7.24	96%	1	101点	95]]								1300 97-2	11	.72 -	110%	
g Les: 20	<u> </u>	8,78	7.43	1114	-4	11458	10813								lyckii Cusbec 15cc		05 8.92	149&	. 152& 1
	*	7.90	7.48	1025	-&	1966		Technical Technical							ands 13 ⁷ 20C 2008		21 -	13214	
10pc 200	73	8.84	7.56	1134	-1	1958 1174 1198	1105	Consols 4pc	831	-	484	-30	쬈		Jacopool 31-ppc late		.97 -		
44	001-4	10.0	7.31	1162	-ý	1196	1147	Mar Load 91 ₂₀ x;;;	6.15	-	4711	}•	452		C 3 = 20 At			33½ 121¼	. 35
11-20								::	5.86				ᅋᅩ	582	Price (11 Albertation 11 Albertation	- Will - 9	48 8.50	12144	12442
10 31 20C	19 00-	4,30	6.55	6133	- 4	est.		Comy 31/200 '67 Att	3.00	_	594		OC 14	- Page 1	The San Till				
17 3125C	1999-4 pc 2004	8.58	7.70	110		1142	1071	Conv 31-200 %7 AS Trees Sine 198 AS		Ξ		=	34	4.4	idage, Wilyr. Spot 18" Designa designation 172-on		90 7.39	77	77
որ 31չթ¢ salon 91չ 61ւրc 20	1999-4 pc 2004 04‡‡	8.58 7.17	7.70 7.70	1101	-2	1142 9512	10715 8041	Free Spc '98' A2	8.23	Ξ	38,7		384	344	Twide Angle 37 ₀ 0		90 7.59 - 4.52	1412	77 1431 ₂
g 31 ₂ g€ gian 61 ₂ g	1999-4 pc; 2004 04‡‡ 005	8.58	7.70	110	-2	1142	107(5 90() 108		8.23					344		2021.	90 7.59 - 4.52	77	77 143 ¹ 2

•	lodex-linked				. :				— Inflati c Tug 14 Au			Aug 14			3	
int.	6 Up to 5 years (1) 1991 7 Over 5 years (11) 1891 8 All stocks (12) 189.	16	0.02 1 -0.131 -0.13 . 1	89.62		4.43 3.43 3.44	Up to 5 Over 5	yra yra -	2.55 2 3.72 5	2.55 3.71	3.41 3.62	1.04 3.52	1.03 3.51	1.79 3.44		
4	Average gross redemption yields a	es show	n above. Co	upon B	ands: Low: 05	K-74%; M	ecium: 8%-	10%%; i	≅gtc 11% a	nd over	. † Flet yield	yed Year to d	ato.			
							:	٠.								
						•										
	FT FIXED INTERES					-,		BILT	EDGE	D AC		INDICE	_			
	Govt. Secs. (UK) 93.19 93	_			98 Yrago 24 9280			St Ede	ed bergei		Aug 13 81.6	Aug 12 67.9	Aug 9 78.0	Aug 73		Aug 7 77.0
	Fixed interest 113.43 113	1.59 11	3.68 113.2	9 113.	22 111.18	115.23 11	0.74 5	-day as	rerage -		75.8	75.3	76.6	79	.8	81.1
	* for 1996. Government Securities Government Securities 15/10/28 an	high si dFbood	nce compliat Interest 1928	SE ac	7,4 (De/01/35), įvity indices re	, Jowr 48.18 Desed 1974	(08/01/75). L	Powed &	ntarest high	since o	compliation: 1	33.87 (21/01/9	4), low 5	0.53 (03	/01/75).	Basis 100:
int.		_														
91	FT/ISMA INTERNA	TION	AL BOI	ND S	SERVICE											
0	Listed are the letest international b	oncis for	which there	is an ar	decpusite succor	dary marks	Ł Latest pr	ices at	7:10 pm on	August	14					
_	lestosc	Bid	Offer Chg	Yield		<u>: :</u>		8 4	Offer Chy	Yield			lesced	Bid	Offer (Chg Yield
int.	U.S. DOLLAR STRAIGHTS Abbsy Nail Treesury 6 2 03 1000	n certa	98 ¹ 3 - 3a	6.85	Sweden 8 97 United Kingd	nm 714 67	2500 5700	105	105 ¹ 4 104 ¹ 8	3.73 3.65		Treasury 8 03 £	1000	100%		그 7.81 그 10.02
96 1	ABN Amro Bank 714 05 1000	100%	101 –₹	7.26	Volkswagen i	nd Fan 7 03	1000	1037-	وا و 104	627	Desmark 63	87 ₃ 23 £ 98 £	800	100	1003	6.61
_	African Day 8k 7 ³ g 23 500 Alberta Province 7 ⁵ g 98 1000	11023⊾	103 -년 103 -년	6.24	World Bank (World Bank)	7,03	300	994 994	. 35,4 +√		2808 <i>8</i> 8	26 74 03 E	1000	1015.	95% 101%	-14, 7,93 -14, 7,68
	Asian Day Bank 6 ¹ 4 05) 96 ¹ 4) 106	98 ¹ 2 - ³ 8 106 ⁷ 4 - ¹ 2	8.92 6.48	SWISS FRAI	NC STRAIG	HTS				Gisto Wello	ome 84,05 £ _	500	10212	1025	—i 8.34
3 1	Baden-Wuertt L-Fin 8 ¹ g 00 1000 Bencoment 7 ¹ g 04	1044	104% -le 834 -le	6.52	Asian Dev Be	rık 0 16	500	1002	37 104 ¹ 2	5.38 3.15	HSBC Hold	nca 11.69 02 £ .	153	116).	104 ³ 8 116 ³ 8	
i	Bank Ned Gemeenten 7 99 1000	102k	1024	6.21	Council Europ	20 4 ² 4 98 _		1023	103 44	2.85	Japoen Dev B	£	200	905	1145 ₈ 100	- 등 8.87 - 등 7.10
	Bayer Versinstalk 8 ¹ 2 00 500 Belgium 5 ¹ 2 03 1000 Bellish Columbia 7 ⁵ 4 02 500	104-18 120-2	104년 -년 22년 -분	6.56 6.84	Council Europ Denmark 44, BB 34, 98 _ BB 64, 04 _	<u> </u>	1000	10312	1035g 1025g - 1 ₈	3.06 2.84	LIND SECRE	Un 117 V	200	1021.		- 3 8.71 - 1, 7.58
	British Columbia 7%, 02 500 British Gas 0 21 1500	104% 14%	105 ¹ 4 - ¹ 4	6.71 7.92	558 6% 04 _ Finland 7% 9	9	300 300	1124	1122 4	4.89 · 3.50	Powergen 8	01 £	250	104	1044	-¥ 8.08
_	British Gas 0 21 1500 Canada 6 ⁵ 8 05 1800 Chaung Kong Fin 5 ¹ 2 98 500	96% 1 00%	027 ∴ 84 –7*	6.98 7.19	Finland 74, 9 losted 75, 0 Inter Amer D. Ontario 64, 0 Outside Hydr SNOF 7 04 Swetten 44, 0	00	100	118	113 ¹ 2 103%	4.01 4.12	Toleyo Bec I	Ower 11 01 2	150	113	1133	-¥ 7.65
int. 7	Chira 6 ¹ 2 04 1000 Gradit Fonder 6 ¹ 2 98 300 Demmerk 5 ¹ 4 96 1000	9478	95° -3	7.59	Ontario 64, 0	8	400	1102	. 111 -78	434	World Bank	4 (/2 N/24 9 99 N/23	76 250	1024	103 l ₁ 102 l ₂	-14 8.63 -14 8.14
	Denmark 5% 95	9912	107 ¹ 4 99 ³ 4 – ¹ 8	6.43 6.07	SNOF 7 04	0508	100 450	1165	1174 - 2			60t PR	9000	1007	101 g 101 g	5.79
	East Japan Railway 6% 04 600 EB 6 04 500	977g 9842	98% -% 98% -%	6.59 6.59	Sweden 44, 6 World Bank 0	23 121	500 700	104 263	1044 +12	4.08 5.35	Bec de Fran	99 FFr ce 83, 22 FFr _	3000	1175		7.22
_	BB 6 04	104	104 ¹ 2 + 1 ₂ 104 ¹ 4 - 1 ₂	5.81	World Bank 7 World Bank 7	01		1134	1137	. 3.77	FLOATING :	RATE NOTES				
TEL.	Blac de France 9 98 200 Ex-lm Blank Japan 8 02 500	106	1083	8.70	YEN STRAIG						Abban Mad 3		becased		Offer	
33 0	Export Dev Corp 9 ¹ 2 98 150 Boton Capital 0 04 1800 Fed Home Loan 7 ¹ 8 99 1500	105%	106 58½ –¼	6.21 6.82	Belgium 5 99 Credit Fonde	43,02	75000 75000	110 1085	110% 108%	1,89 8,15	Bankamerica	[reesury – <u>1</u> , 89	750	99.91 99.95	99,50 100,05	
2	Federal Nati Mort 7,40 U4 1500	1034	102 ¹ 2 104}a	6.32 6.80	EBS 67g 00	ones 41 m	100000	116	116 ⁷ 4 109 ¹ 4	1.95 2.98	(Zineon – k	99 Enu OS Fin -1; 98 .	20m	99.66 99.58	99.72 99.74	
	Finland 63, 97 3000 Ford Motor Credit 63, 96 1500	101	1011 ₈ +1 ₈	6.00 6.26	Inter Amer De	w 74, 00	90000	1185	1187	2.04	Commuzink Credit Lycon	OAS Fah — 1,98 . min	760	98.81 98.19	99.87	5.3955
	General Mile () 13 1000	244	25%, ⊸կ	8.58	Inter Amer De Italy 3 ³ 2 01		200000	1127	1045 ₈ 1131 ₈	321	Credit Lyona	eis <u>3.</u> 00	_ 1250	100.00	100.10	5.9406
int.	General Mile 0 13 1000 NI Rinance 5 ¹ s, 98 650 Inter-Amer Dev 6 ¹ s 06 1000	95 ¹ s	95 ³ - ¹ 2	6.31 6.94	Parties Con Co.	dia M	190000	1105	110 31 8 %	1.73 2.37	Dreadner Fin	97 Ince & 98 DM	_ 1000	99 <u>.97</u> 100.01	100.03	
	Intel-Arter Day 712 US	10312	103¾, ⊸} <u>.</u> 98≩	6.94 6.10	SNCF 64, 00 Spain 54, 02 Sweden 45, 6 World Bank 5		30000 125000	1164 1157	116 ³ e 116 ¹ s	1.99 2.66	Fed Net Mor Pintend → G	t-2:00	1000 1500	99,89 99,94	99.80 100.00	
	Imay 6 (3	95½ 91¾	95½ -1 92½ -3	8.92 7.74	Sweden 47g 6 World Bank 5	8	150000 250000	105 ¹ 8	105°g 114¹g	1.09	Hallbox BS () BML Stank Inst	90 4, 99	500 500	100.10	100.1E	5.5391
	Japan Dev Sk 8 2 01 500 Kores Flor Power 63 08 1990	105 ⁵ 8	1067 -	6.61 7.20					1148	240	haly is 99	Muert Fin 🛂 98	1500	100.30	100.35	5,6875
	Metavahilia Bac 74, 02	1024	اس م 103	630	Beyerische LE	Giro 81/2 O	LFr. , 2000				Lidyda Berek	Peop \$ 0.10	600	99.93 85.08	88.25	5.3500
_	Ontario 73 03	1074	10712 -1	653 631	Drawiner Sk I World Bank 8	LEK 67g 02 L Åg 04 LFr _	Fr 2000 : 2006	1104	1111	6.50	New Zealand		850 1000	99.81 89.61	99.93 100.01	
	Portugal 5% 03	1084	94 ¹ 4 - 14 106 ¹ 2	6.91 6.49	ABN Ameo 65 Austria 652 98	00 A	1000	1054 1045	105)2	5.00 4.65	NOVE SCORE Ontario 0.99	à 99	500 2000	99.98 100.03	100.08	5.7266
111.	A	· ·		6.40	Bell Caracte 1 British Colum	0°, 89 C\$	150	1114	1114 -	628	Portugal & S	9 DM	- 2500	· 100.24	100.32	3.4402
114 174 178 178 178 178	Calance Prior 9 200 SNCF 9 ¹ ₂ 98 200 SNCF 9 ¹ ₂ 98 1500 Spain 8 ¹ ₂ 99 1500 Spain 8 ¹ ₂ 93 1500 Terressees Valley 6 00 1000 Terressees Valley 6 05 2000 Todgo Bac Power 8 ¹ ₂ 93 1600 Todgo Bac Power 8 ¹ ₂ 93 1600	1054	1073, -18 105 -18	6.71 6.24	Carpeda Milg &	L Hsq 8 4 9.	3 CS _ 1000	105	108la -i.	7.17 6.09	Rente 0 98	0088	500 500	99.62 99.77	99.74 99.92	
搊	Spen 6 ¹ 2 03 2000	100½ 99¼	100-i, -j, 99-i₂ -j,	6.31 6.75	Elec de Franc	3	130 275	1071-	105 ¹ g - ¹ g 107 ¹ g - ¹ g 110 - ¹ g	524 520	Spoots - 1,202 Soots Bk Vict	DM	2000 125	100.07 89.99	100.14	3.3477
81 Å 86 Å	Terrnessee Valley 6 00 1000 Terrnessee Valley 6 06 2000	98 ³ 8	9859 -14 9759 -14	6.55 6.89	KW Int Fin 10 Nopon Tel Te	101 CS	. 400	1193	1124 -	6.74	Sweden 🛂 I	01	2000	89.93	100.01	
36.4 45.1 38.1	Tokyo Elec Power 81 ₂ 03 1800	96 ¹ 2	984 -¥	6.77	Ontario 8 03 0 Ontario Hydro	3	1500	111 105	1113-4	6.31 7.15	COMMERTIE	LE SONDS				
35(1 15 <u>8</u>	United Kingdom 74 02 3000	1031	1034 上。	.620 eus	Ontario Hydro	.10% 99 C\$ best 10% 9	500 205 - 150	1115	1114 1114 - 4	5.93 6.20		•		Price	B4 ~	be
13萬	World Bank 67 05	984	987j. –1, 974j. –1,	6.80 6.86	Quebec Hydro Quebec Prov	7 04 C\$ _	1000	971	974 -	7.55	Alfed-Lyons	et no e			94 k 95	er Precs.
la la	World Bank 8 ² g 99 1500	108 ¹	105% -1	6.25	Council Burgo	8901Ecu.	1100	11175 .	108% -¼ 112 +½	5.96 6.32	Gold Kalgoor	to 7 ¹ 2 00	BS	1.37	119 120	47.47
d to sion	DEUTSCHE MARK STRAIGHTS						4170	407	1072 +1 ₂	7.14	THE BOTH AND	50a 2 98 01	ATO 70	4.37 T1 JS375 8	12년 ₈ 113 85년 88	1 ₆ +8.29
89 6.	Austria 6 ¹ 2 24 2000 Baden-Wuertt L-Finance 6 99 _ 2000	924 1003	92% 103%	7.10	Decement 6 ¹ 2 1 EC 6 00 Ecu EB 10 01 Ecu	- 7. 7.	1100	1011	10112	6.29 5.65	Land Seco 6	400 4 U(- 410 :	31.05 8	5512 88 301 ₈ 102	A -14.28
	Credit Fonder 71/2 03 2000	1017	105 ¹ g - ¹ g	6.51		W-88E0	500	1064	115½ +½ 107½	6.00 . 4.97	Laterto 7% (5 £ 3 02 5 03	_ 90	5.84	73 1 ₂ 94	
	Dermark 6 ¹ g 98 2000 Depta France 6 ³ g 03 1500	103 ² 2 100 ² 3	1035 ₈ -	3.98 5.22	taly 10%, 00 9 United Kingdo	ـــــــــــــــــــــــــــــــــــــ	1000	115 ¹ 2	1154 A	5.92	Mittal Bank	A 03	2000 200 2	22 17 3326 7		11 +3.78 A +41.93
·. *_	Dautcha Sk Fin 7/2 03	108	106%	6.29	ADC 10 98 A	\$	100	108 ¹ a	112 1065							
. <u>wol</u>	EEC 8½ 00 2900 BB 6¼ 00 1500 Friend 7½ 00 3000	104-1g - 104	105 104 ¹ 8	4,97 5,01	Committee Au	WANGE 194 S	& A\$ _ 100 350	115% 102%	1183g →g 1025g	7.78 7.06	Sendor Capi	08 al 2 02	- 750 13 - 750 13	2007 1(0228 10	107 184 108	4 +7.14
195 185	Finland 7 ¹ 2 00 3000 feely 7 ¹ 4 98 8000	107% 104ጌ	108 104%	485	EB 74, 90 AS NSW Treesury R & I Bank 74	Zeso 0 20 /	NS 1000	13 ¹ 2	14 - 녹							+8134
03 ¹ 2 104	taly 74, 98 5000 UGB Bacten-Wayerst 5 ¹ 2 98 2250	9812	بال 188	6.68	State Bk NSA Sth Aust God	8 02 AS _	300	97% 104%	98 그	8.21 8.00	Sun Allerson	00 nk 3½ 04 74 08 £	300 3	508.9	2 83	5 +10.18 4 +28.16
10% 4242	Norway 6 ¹ g 98 1500 Onterto 6 ¹ g 04 1500 Spain 7 ¹ g 08 4000		1034, -1, 994, -1,	8.53	COMPUTE AUSTR	28 TZ 98 A	5 <u></u> 150	105%	104월 내	8.11 7.44	Transationic	Hidge 51 ₂ 00 2 Son applicable - number maker at	- 125 - 250	3.9 10 5.05 8	54 80 54 80	+12.78 4 +11.90
129			108 ² - 1	8.06	Western Aust	Torus 7-1-90	AS _ 100	1002	101	7.28	# Only one o	maior maior e	previous o pologis	price price	• -	
	STREETH PROPERTY The winter in the co.							-								

| Februari 14: 63 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500

Est. vol. Open int. 54.495 48.799

Est. vol Open int. 18078 166545 234862

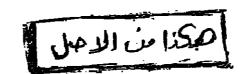
Est vol Open int. 56999 44845 24686

Est. vol Open Int.

Est. vol Open int. 500

Est. vol Open int.

30313 27530



CURRENCIES AND MONEY

MARKETS REPORT

. .

D-Mark tumble brings franc relief

By Richard Adams

The D-Mark fell against a range of currencies in trad-ing yesterday, taking the pressure off the French franc, after comments by Mr Otmar Issing, the Bundesbank's chief economist.

Mr Issing's remarks renewed speculation that the Bundesbank was likely to cut its key repurchase interest rate, currently at 3,30 per cent, at its next council meeting on August 20.

The D-Mark fell against the French franc by over a centime by the close in London. It ended at FFr3.418, down from FFr3.427 at Tuesday's close. The franc's resurgence from its doldrums last week was mirrored by French 10 year bonds, which outperformed German bunds by three basis points vesterday.

Some heavy action in D-Mark-dollar trades was also reported during the day

the set to name

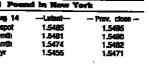
the contents

in London, following news that German insurance giant Munich Reinsurance had been given the go-ahead to buy American Reinsurance for \$3.3bn.

The D-Mark fell by more than half a pfennig against the dollar, which rose to DM1.4834 from DM1.4767. The D-Mark's retreat helped lift the lira to L1023 from

The pound enjoyed a good day against the D-Mark, ending a pfennig up at DM2.30 from DM2.29. But it barely moved against the dollar, closing at \$1.550 from Tues-

The start of a four-day holiday weekend today in France and elsewhere in Europe, and next week's

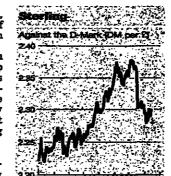


Bundesbank meeting, encouraged the squaring of speculative and short-term positions, analysts said.

The South Korean won suffered a further steep decline against the dollar, as expected central bank intervention again did not take place. It ended the day against the dollar at Won821_30 overnight, having been Won816.50.

■ Mr Issing said in an interview published yesterday that the D-Mark's recent rise "does not fit into the current economic landscape." He said he was confident that M3 broad money supply growth would slow further, but that the German economic recovery was not yet sufficiently robust.

Mr Issing also said the mark's exchange rate was an "important element" in the Bundesbank's deliberations, although secondary to M3. Some dealers took Mr lss-



ing's remarks as indicating that a cut in the key repo rate could be likely next week, and sold D-Marks. But others contrasted Mr Issing's comments yesterday with his earlier remarks this week, which were more positive on the economy's growth. Trying to explain the difference, analysts at

DOLLAR SPOT

Europe
Austria
Belgium
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Luxembo

it is a reflection of a genuine dilemma at the Bundesbank." Others thought only a "significant" drop in M3 would bring a cut in interest rates next week.

in London suggested "maybe

■ The franc's revival may have been aided by the comments yesterday of the French prime minister, Mr Alain Juppe. Mr Juppe interrupted his holiday to underline his government's commitment to reaching the 3 per cent budget deficit requirement of the Maastricht treaty for participation in monetary union.

Mr Juppe said there was no conflict between the central bank and the government, calling the franc's exchange rate worries a "storm in a teacup."

Mr Juppe's statement followed a denial by Mr Jean Arthuis, the finance minister, that the investigation the National Australia Bank into the running of state-

30,4340 5,7170 4,4362 5,0580 1,4763 236,130 1,5055 1514,15

1514,15 30,4340 1,6571 6,3865 152,050 125,760 6,6308 1,1999 1,5475 1,2630

5.7470 4.4656 5.0782 1.4860 252.000

1.6095 1522.34 30.6150

1.6685 6.4231 152.580 128.400 6.6536

1,2075 1,5510 1,2706

0.9999 1.0128

1,3761

1,2838 7,7352 35,8100

107.980 2.4959 1.4583 26.2300

3.1520 3.1383

107.590 2.4945 1.4550 26.1600

3.7509 3.7504 3.7511 -0.1 1.4130 1.4110 1.4084 3.0 4.5590 4.5400 4.6025 -12.5 821.500 820.000 -

5.7304 4.4454 5.0632 1.4809 238.88 1.6093 1522.35

30.511 1.6613 6.4101 152.59 126.145

1.2009

7.7342 35.75

107.365

2.4962 1.4604

5.0 -0.4 -2.6

106.465 2.5023 1.4662

102,725

3.7552 1.377

-1.1 -2.4

owned bank Credit Lyonnais implicated Mr Jean-Claude Trichet, the head of the Bank of France.

■ Purchases of dollars by Germany's Munich Re, for its \$3.3bn takeover bid for US reinsurance firm American Re. was said to have helped the US currency against the D-Mark.

But some London analysts were not convinced. Mr Peter Stoneham, a senior foreign exchange analyst, said: "My feeling is that the German company has sufficient existing dollar income to cover the purchase. The need for [it] to risk playing is unlikely."

10.3772 30.394 5.7134 4.4394 5.0489 1.4751 242.23 1.6101 1530.5

MONEY R	ATES							
August 14	Over night	One month	Three mths	Six mths	One year	Lomb. inter.	Ds. rate	Repo
Belalum	34	34	3!!	3,	354	7.00	2.50	
week ago	314	3.	31	32	332	7.00	2.50	_
France	312	38	-4	43	4.	3.55		4.75
week ago	33	32	32	44	416	3.55	_	4.75
Germany	312	32	34	3,5	3.	4.50	2.50	3.30
week ago	35	35	31	313	3.	4.50	2.50	3.30
breisend	52	5 <u>2</u>	52	6	84		2.00	6.25
week ago	5%	52	5.	54	ă	-	_	6.25
Halv	82	88	851	633	813	_	8.25	9.03
week acc	ΒĒ	BE	84	82	B.	-	8.25	8.55
Netherlands	25	28	3.	314	34	_	3.00	3.30
week ago	20	22	34	32	3.	=	3.00	3.30
Switzerland	2.	214	214	2%	21.	5 00	1.50	3.30
week ago	24	21.	2/	21/2	25	5.00	1 50	_
us.	5%	53	5.	55	57	5.UG	5.00	_
week ago	514	52	5 ₂ ,	52	6		5.00	_
Japan		ũ	1			-	0.50	
week 200	9	3	5	Š	2		0.50	
		~			17	-	0.30	-
■ \$ LIBOR FT L	.ondon							
Interbenk Fixing	ı –	58	51-	52	511	-	-	_
week ago	-	5₽	514	52	5%	-	_	_
US Dollar CDs	_	5.10	5.18	5.27	5.48	_	_	_
week ago	_	5.10	5.21	5.31	5.51	_	_	_
ECU Linked Ds	_	4%	42	4.	42	-	_	_
week ago	_	4%	445	49	4%	_	_	_
SDR Linked Da	_	3.5	311	32	313	_	_	_
week ago	-	32	31.	30	33.	-	-	_
S LIBOR Intertent reference benis a Bercloys and Note Mid rates are show EURO CU	t 11 am coc onal Westmi n for the doc	h working Inster. Nexts, Mor	g otay 11 ney Rutea	he barris , USS CD	aror Ban 18, ECU 8 1	kers Trus SDR Linka	t, Bank	of Toleyo
Aug 14	Short	7 day		One ionth	Threa	Sa		One year
								_
Belgian Franc	341 - 342	34 3		314	3,4 - 3,5			£ - 3]2
Danish Krone	352 - 353	333 - 3		- 33	312 - 34	44-		<u>ա</u>
D-Mark	31/2 - 31/2	3,7 - 3	4% 3jj	- 3,	3]] - 32			1 ₂ - 31⁄2
Dutch Guilder	3 - 278	3 - 2			3,, 3		313 3	رِّ (3 · يُرِ آلا · يُر
French Franc	35g - 312	315 - 3		3,,	45 - 41	. 44	4lg 4	11 - 47
Portuguese Esc.	713 - 73	75 - 7	12 75	717	77 78			2 - 7 ¹ 4
Soonish Peseta	7% - 7%		76 73		7) - 72			9 - 73
Sterling	4% وأح		5.3	- 553	51: - 54			51g - 6
Swiss Franc	2,6 - 2,2		4 2%	- 2/2	2% - 21/			
0-2-1-	-10 -10		7 -16	-10		-16	-10 4	16

WORLD INTEREST RATES

MONEY PATES

	Can. Dollar				4 4 4	46 - 46	438 - 444	4 - 4,
	US Dollar					51 ₂ - 515	5 g 5	513 - 53
Morgan	italien Ura					812 - 811	85g - Bj5	8,6 - 8,
/ Incolex	Yen					1 ₂ - 3 ₈	33 - 13	- 3 ₄ - 3 ₄
	Asten \$Sing					3¾ - 3¼	3,2 - 3,2	35 - 31
3 105.4	Short term re							
3 107.1	■ THREE	MONTH	PEROR FL	TURES	MA(IF) P	Ins interde	nk offered ra	#e (FH 5
5 107.4		Ореп	Sett price	Change	High	Low	Est. vol	Open in
4 85.5	Sep	95.71	95.80	+0.14	95.61	95.69	54,225	54,495
8 108.4	Dec	95.74	95.86	+0.16	95.87	95.73	26.117	48.799
5 109.1	Mar	95.75	95.86	+0.13	95.88	95.75	10,690	33,010
0 68.9								
3 75.7								
1 107.1	M THREE	HONTH	EURONA	RK FUTU	RIES (LIF	FE)" DM11	m points of	100%
5 107.1		Open	Sett price	Change	High	Low	Est. vol	Onen ir
7 97.9	Sen	96.69	96.69	U	96.70	95.68	18078	16654
0 95.7	Dec	96.63	96.65	+0.01	96.66	96.63	17424	23486
8 80.2	Mar	96.44	96.65 96.46	+0.01	96 47	96.43	14114	19383
4 87.9	Jun	96.17	96.18	+0.01	96.19	95.16	6788	13313
7 112.8								
.0 84.1	II THREE	MUNTH	FUHOLE	A FUTUR	ES (UFH	E)" L1000F	n points of	100%
9 -		Open	Sett price	Change	High	Low	Est. vol	Open in
	Sep	91,33	91.40	+0.08	91.44	91.33	13508	56999
	Dec	91.82	91.87	+0.06	91 90	91.82	12131	44845
	Mar	92.11	92.11	+0.05	92.15	92.09	2255	24686
	Jun	92.19	92.1 6	+0.03	92.19	92.14	1045	14940
2 82.8 2 -	THREE M		RO SWISS I	FRANC FU	Turkes (Li	FFE) SFr1m	points of 10	0%
96.9		Open	Sett price	Change	High	Low	Est. vol	Open k
	Sep	97.66	97.68	-0.01	97.70	97.63	3419	30313
9 92.5	Dec	97.59	97.58	-0.02	97.59	97.53	2283	27530
4 -	Mar	97.38	97.38	-0.03	97.40	97.34	579	10729
4 -	Jun	97.10	97.12	-0.01	97.12	97.07	254	3590
 7 135.1	THREE	МОЖТ Н	EUROYEM	PUTURI	ES (LIFFE	1 Y100m p	points of 10	0%
2 -		Open	Sett price	Change	High	Low	Est. vol	Open in
3 - {	Sep	99.29	99.29	-0.01	99.29	99.29	500	n/a
1	Dec	99.06	99.06	-0.02	99.06	99.06	44D	n/a
.1 -	Mar	•	98.82	-0.04	-		0	n/a
5 -	B THREE	MONTH	ECU FUTI	URRES ILIF	TE) Ecut	m points	of 100%	
4 -		Open	Sett price		High	Low	Est. vol	Onen k
: :	S	-		_	_			-
, . I	Sep	95.51	95.54	+0.06	95.54	95.51	755	9413
directly	Dec	95.53	95.54	+0.05	95.54	95.50	566	6239
Ces Aug	Mar	95.45	95.46	+0.03	95.46	95.44	329	3230
	Jun	95.28	95.28	+0.02	95.29	95.28	42	285 9

18.1948 18.1029 18.1539
47.4300 47.1270 47.2945
8.9048 8.8587 8.8828
8.9160 8.8890 8.8862
7.8677 7.8349 7.8469
2.3032 2.2966 2.2955
0.9650 0.9623 0.9633
2357.60 2344.81 2558.59
47.4300 47.1270 47.2945
2.5843 2.5662 2.5748
9.9498 9.8863 9.9348
296.392 295.297 326.527
195.781 194.833 195.46
10.3067 10.2890 10.2973
1.8704 1.8580 1.8626 +0.0685 755 - 948 +0.1786 634 - 156 +0.0266 922 - 010 +0.0061 949 - 103 +0.0061 949 - 103 +0.0096 988 - 012 +1.304 583 - 990 +0.001 630 - 646 +1.49 151 - 457 +0.1786 634 - 156 +0.011 794 - 824 +0.029 378 - 487 +0.575 988 - 217 +0.155 114 - 286 -0.0118 875 - 064 +0.0061 882 - 690 18.1539 2.3 16.0789 47.2945 2.4 47.1045 8.8828 1.9 8.8626 6.8962 0.8 6.8901 7.8489 1.9 7.8262 2.2955 2.3 2.2865 0.7 0.9578 -2.6 2400.94 2.4 48.3195 2.8 2.5151 1.D 9.8343 -2.3 -1.5 197.375 0.0 10.2954 3.4 1.8036 0.6 -2.8 2.4 2.8 1.0 -2.2 -1.8 0.0 3.2 0.9621 2368.44 47.1045 2.5629 9.9178 237.432 195.975 10,2974 1.8704 1.8518 3.4 1.222 1.3 +0.0024 225 - 240 1.2187 1.219 1.5484 -0.0005 477 - 490 1.5699 -0.0002 692 - 705 2.1308 -0.0006 297 - 318 11.6094 -0.0087 002 - 185 1.5507 1.5707 2.1321 1.5473 1.5672 2.1261 2,1301 0.4 2.1264 1,9895 -0.0012 882 - 908 1,9910 1,9822 11,9908 -0.0046 882 - 954 11,9973 11,9679 55.1979 -0.0196 700 - 258 55.5340 54,8579 40,0067 820 - 856 4,8881 4,8969 167,159 +0.235 059 - 260 167,410 166,680 3,8690 +0.0009 899 - 710 3,8715 3,8813 2,2597 -0.0058 578 - 616 2,2618 2,2516 40,8154 +0,0011 480 - 627 40,8909 40,5342 5,8154 -0.002 133 - 175 5,8178 5,8041 2,1893 -0.0022 878 - 908 2,1910 2,1857 7,0826 +0,0228 564 - 687 7,0839 7,0317 1273,43 +7 296 - 399 1274,10 1265,70 42,6179 -0.0453 018 - 339 42,5345 42,5377 39,1904 -0.0201 639 - 969 39,1970 39,1240 lar spreach in the Pound Spot table show only the last time of 166.680 166.434 5.3 158.529 5.2 3.8813 2.2516

+0.0479 358 - 415 +0.128 570 - 710 +0.0211 389 - 389 +0.0068 483 - 554 +0.00111 693 - 708 +0.0057 831 - 837 +0.925 150 - 260 -0.0024 079 - 095 +1.5 710 - 810 +0.126 570 - 710 +0.0077 641 - 650 +0.0077 641 - 650 +0.126 250 - 300 +0.145 880 - 810 -0.0053 371 - 450 -0.0063 500 - 510 -0.0029 872 - 679 237.205 1,6067 1517.60 30.5840 1,6646 6,4130 152.275 125.895 6,8411 1,2045 1,5505 1,2676 0,88490 107.5 98.6 95.7 80.6 88.7 0.9986 1.0125 1.3743 - 985 - 987 +0.0002 124 - 126 +0.0001 740 - 745 -0.003 840 - 910 134.6

CROSS RATES AND DERIVATIVES **EXCHANGE CROSS RATES** 8Fr DKr ## Pta SKr SFr 2

498.2 411.9 21.73 3.942 2.110

498.2 411.9 21.73 3.942 2.110

219.4 11.58 2.100 1.124

219.4 11.58 2.100 1.124

219.4 11.58 2.100 1.124

219.4 11.58 2.100 1.124

219.5 10.68 1.938 1.037

10.03 8.296 0.438 0.079 0.042

10.03 8.296 0.438 0.079 0.042

237.5 196.3 10.36 1.879 1.006

100. 82.68 4.363 0.791 0.424

100. 52.77 0.957 0.512

229.2 189.5 10 1.814 0.971

128.4 104.5 5.514 1 0.535

128.4 104.5 5.514 1 0.535

110.8 91.60 4.833 0.877 0.469

110.8 91.60 4.833 0.877 0.469

152.3 125.9 6.645 1.205 0.645

141.3 116.8 8.164 1.118 0.598

183.0 159.5 8.422 1.527 0.818

183.0 159.5 8.422 1.527 0.818

152.3 159.5 8.422 1.527 0.818

150.50 1.59.5 8.422 1.527 0.818

150.50 1.59.5 8.422 1.527 0.818 Aug 14 1. 2.034 4965 5.446 20.98 1.084 2645 2.901 11.18 1.226 2983 3.283 12.65 0.419 1023 1.122 4.323 1.265 0.419 1023 1.122 4.323 1.32 4.323 1.32 4.323 1.32 4.323 1.32 4.323 1.32 4.323 1.32 4.323 1.32 4.323 1.32 5.596 10 1.32 5.596 10 1.32 5.323 1.32 5.323 1.324 2.506 9.653 1.324 2.506 9.653 1.325 5.323 1.325 5.325 1.325 5.325 5.325 1.325 5.325 5.325 1.325 5 (BFr) 100 (DKr) 53.27 18.77 10 11.32 3.868 4.497 3.271 2.395 1.742 2.711 1.972 16.59 4.853 2.034 8.836 10 3.418 2.585 2.926 (FFr) 60.28 (DM) 20.60 10 2,826 3,418 1 8,155 2,386 0,334 0,098 3,048 0,891 7,906 2,313 3,330 0,974 4,027 1,178 7,632 2,233 4,208 1,231 7,861 2,300 3,689 1,231 7,961 2,307 5,072 1,484 4,704 1,376 6,428 1,881 72.65 173.3 7.102 64.74 168.1 70.78 85.60 162.2 89.45 0.927 2.211 0.091 0.826 2.143 0.903 1.092 2.069 1.141 2.131 1 1,269 0.052 0.474 1,230 0.518 9.229 0.518 0.827 1.187 0.655 1.223 0.574 0.789 0.732 4.763 4.704 1.376 6.428 1.881 IL JAPANESE YEN FUTURES (MM) Yen 12.5 per Yen 100 Open 0.9334 Latest Change High Est. vol Open Int.

E D-MARK FUTURES (IMM) DM 125,000 per DM
 Latest
 Change
 High
 Low
 Est. vol. Open int.

 0.6749
 -0.0041
 0.6788
 0.6742
 8,373
 71,752

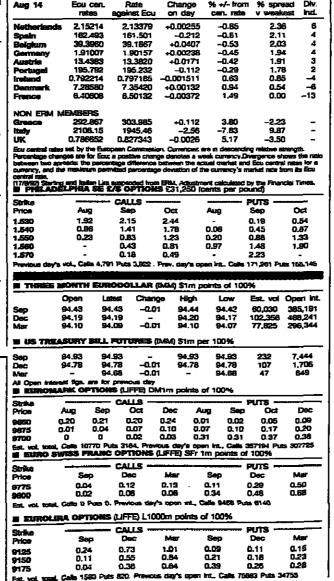
 0.6789
 -0.0039
 0.8800
 0.5788
 842
 4,517

 0.6840
 -0.0030
 0.6840
 21
 633
 Sep Dec Mar ■ SWISS FRANC FUTURES (IMM) SFr 125,000 per SFr E STEPLING FUTURES (IMM) 262,500 per £ 0.8301 0.8385 **EMS EUROPEAN CURRENCY UNIT RATES** UK INTEREST RATES Aug 14 LONDON MONEY RATES

Over 7 days night notice UK closing binit base londing rate 5½ per cent from June 6, 1896

Up to 1 1-3 3-6 6-9 month month months months THREE MONTH STERLING FUTURES (LIFFE) 2500,000 points of 100% Est. voi Open int. High Sett price Change 94,21 94,16 93,95 93,59 93,21 13006 71291 18343 103852 14729 73210 11828 48527 4844 32913 -0.04 -0.05 -0.07 -0.08 -0.07 94.16 94.08 93.84 93.48 93.11 94,17 94,10 93,87 93,52 93,14 E SHORT STERLING OPTIONS (LIFFE) \$500,000 points of 100% PUTS CALLS Dec 0.12 0.25 0.43 0.01 0.10 0.33 0.18

	BA	SE LENDING R	Αī	TES	_
Adam & Company Alsot Trust Bank Als Bank AHony Anebacho Bank of Bancio Bank of Bancio Bank of India Bank of India Bank of India Bank of Scotland Bank of Scotland Bank of Mid East Blow Sheloy & Co Lat Chbank NA Cydesdeb Bank The Co-operating Bank Cours & Co Credit Lyonnais	5.75 5.75 5.75 5.75 5.75 5.75 5.75 5.75	Cyprus Popular Bank 5. Duncan Lawne 5. Euster Bank Limited 6. Financial & Gen Bank 7. PRobert Plemming & Co. Gerobank 5. Gusmintes Mahon 5. Habib Bank AG Zurich 5. Horitabhy & Gen hir Student 6. C. Hosse & Co. 5. Hongkong & Shanghat 5. Julian Hodge Bank 5. etaspold Joseph & Sons 5. Lüyde Bank 5. Madatel Bank Lid 5. Madatel Bank Lid 5.	%5.75.75.00.75.75.75.75.75.75.75.75.75.75.75.75.75.	"Mount Credit Corp NatiWestminster effen Brothers Royal Bu of Scotland effenger & Fredlander effent & Willems Secs Scotlish Wildows Benk TSB United Bank of Kuwatt. United Bank of Kuwatt. United Bank of Kuwatt. United Senk Pic Westom Tust Whiteeway Laidfew	5.75 5.75 5.75 5.75 5.75 5.75 5.75 5.75



-0.0018 0.9334 -0.0018 0.9435

1.5490 -0.0002 1.5498 1.5480 -0.0004 -1.5490 -0.0002 -

0.9318

1.5492 --

61,966 6,140 132



₽Market-Eye FREEPHONE 0800 321 321 FAX 0171 398 1001 Futures & Options SECURITIES AND FUTURES LIMITED Vaccine Home, LE Frankey Prospect London 2024 LPA \$32 ROUND TURN

FAX 0171 417 9719 Margined FOREX
Disclosed Commissions PHILLIP ABENANDER SECURITIES AND FUTURES LIMITED The rate we trade is the rate you get ' TEL 0171 638 2028 KIR KNIGHT-RIDDER'S FUTURES MARKET DATAKIT FROM \$578

More intermedian: Me Bhalter Yekil, 78 Flood Street, Landon ECAY 167. Tet. +44 (8) 171 842 4983 WANT TO KNOW A SECRET? The LD:S. Gann Seminar will show you how the markets REALLY work. The amazing trading techniques of the legendary W.D. Gann can increase your profits and contain your losses. How? That's the secret. Book your FREE place. Phone 0171 588 5858.

O & Bell year of <u>FRAM, BARKETS</u> End-of-Day quate service O Optional Clouding Sederare Inc. ibn has selling Separate.

0171 896 0011 OFFSHORE COMPANIES tablished in 1975 OCRA has 22 Otions world wide and 750 needs-made componies avail For 100 page FYEE colour brochure consist.*

151.E OF MARC
LONDOR:
LONDOR:
HONG KONE:
BART DEBOURS, LON
BART TO EBOURS, LO

FUTURES ETAX(FREE

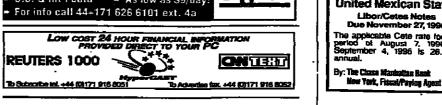
Petroleum Argus Oil Market Guides Petroleum Argus Putures, Options & Currencies with direct access to exchange floors Gendeline Getto

Tel CI71 702 1991

Over 100,000 issues - News headlines U.S. & int'l data As low as \$9/day! → For info call 44+171 626 6101 ext. 4a

IUIRPACE

Signal



To the shareholders of GN Great Nordic Holding Ltd.

The ANNUAL GENERAL MEETING of the Company will be held on Thursday 29 August 1996 at 3.00 pm at the Company's registered office at Kongens Nytory 26, DK-1016 Copenhagen K, to transact the following business:

- a. To receive and consider the Annual Report for the year ended 30 June 1996.
- b. To receive and adopt the annual financial statements and discharge the Board of Directors and the Executive Management from their obligations
- c. To consider and, if thought fit, pass a resolution for the distribution of the net profit for the year, including the declaration of a dividend on the shares of the Cor
- d. To consider and, if thought fit, pass a resolution proposed by the Board of Directors that the Company be entitled to acquire up to 10 per cent of its own shares.
- To elect Directors in the place of those retiring.
- f. To elect two auditors, including at least one state-authorised public accountant, to audit the financial statements for the current financial year.

From Wednesday 21 August 1996 the agenda and the full and complete resolutions to be proposed at the Annual General Meeting, as well as the annual financial statements. together with the Auditors' Report and the Report of the Directors, will be available for inspection by the shareholders at the Company's registered office, Kongens Nytorv 26, third floor, DK-1016 Copenhagen K, and at the address of the Company's bankers in London. Not later than eight days prior to the Annual General Meeting the said material will be posted to any shareholder on the Company's register of members to such address as has been given to the Company.

Admission cards to the Annual General Meeting will be available on request from the Company's office from Monday to Friday between 10 am and 4 pm, up to five days prior to the Annual General Meeting, to any shareholder who can prove good title to his shares. As far as bearer shares are concerned, the shareholder shall prove his title to such shares by presenting a statement of his holding of Company shares as of 19 August 1996 issued by the bank in which his shares are held.

Any right to vote shall be conditional upon the voting share being registered in the name of the shareholder and upon the shareholder being entitled to attend the meeting pursuant to the above-mentioned provisions. Where the shareholder has acquired the share by way of transfer, the share shall additionally have been registered in the name of the eholder for not less than three months prior to the date of the Annual General Meeting.

Copenhagen, 14 August 1996

The Board of Directors

Notice to the Holders of U.S. \$1,500,000,000 United Mexican States Libor/Cetes Notes Due November 27, 1996 The applicable Cete rate for the period of August 7, 1996 to September 4, 1996 is 26.97% annual. By: The Chase Manhottes Runk

BANQUE NATIONALE Programme for the laws Debi lostroments GBP 18.848.800 ng to Fixed Rate Notes due 1998 Series 59 Transhe 1

Notice is hereby given that the rate of interest for the period from August 139, 1986 to November 130, 1986 to November 130, 1986 has been thred at 6,175 per cent. per annum. The coupon amoure due for the period is GBP 150,000 and to payable on the interest payment data November 13th, 1998. The Rocal Agent

Ranque Mottenele de Parta
(Luxemboers) S.A.

World platinum industry 'under siege' |FAO prepares for final

Mining Correspondent

The platinum industry was under siege, its future in the hands of Russia and that country's ability to sell big quantities of platinum and palladium from its stocks. said Mr Michael McMahon, chairman of Impala Platinum, the South African group, when outlining the company's views on market conditions.

In a generally downbeat presentation, he said the conditions for a recovery in producers' fortunes were likely to occur only in the that time it is expected that US dollar prices [for platinum and palladium) will show only modest growth, if any, from current levels."

Mr McMahon said that, sian sales of platinum from

The industry needed to to palladium by the autoca-

while the fundamentals of the platinum business remained strong, two condi- a platinum market surplus tions were necessary for for five consecutive years recovery from its present and "seems likely to con-Most importantly, Rus- more".

_				ALANCE ounces)	_		
	1996	1995	1994		1996	1995	1994
SUPPLY				DEMAND			
PLATINUM	•	_					
South Africa	3,435	3,350	3,155	Automobile	2,070	2,015	1,915
Russia	1,125	1,250	1,020	Jewellery	1,840	1,800	1,720
Other	350	335	360	Industrial	1,020	960	810
Recycling	400	360	320	investment	300	345	395
Total	5,310	5,295	4,855	Total	5,230	5,120	4,840
Surplus	80	175	15				
PALLADIUM							
South Africa	1,640	1,645	1,490	Automobile	2,340	1,715	1,125
Russia	4,500	4,100	3,300	Dental	1,340	1,300	1.265
Other	645	575	510	Electronics	2,600	2,650	2,230
Recycling	110	90	80	Other	550	535	505
Total	6,895	6,410	5,380	Total	6,830	6,200	5,125
Surplus	65	210	255				
Source: Impele Platinunt							

had been the major cause of tinue for a year or two palladium.

its stocks must end. This reinforce and encourage the talyst makers played into recent trend whereby makers of car anti-pollution catalysts were re-evaluating ducer. their "headlong dash" into The switch from platinum

the hands of Russia, by far the biggest palladium pro-Impala is forecasting that

Russian palladium sales to the west, which were 3.3m

reach 4.5m ounces this year and account for 73 per cent of total supply. Mr McMahon said record demand last year for palladium - global sales reached 6.41m ounces - was easily met by increased Russian sales.

Impala sees Russian platinum exports slipping slightly this year, from 1.25m ounces to 1.125m, representing 21 per cent of total supply. "We are still looking at a surplus [of supply] and we're sitting here with fairly weak prices," said Mr

He said that in Impala's last financial year, to June 30, platinum prices fell steadily, dropping well below Impala's expectations. "It is entirely a function of the fact that the Russians were prepared to sell at \$400 [an ounce]. We thought that their floor was \$415 to \$420." He said, however, that

there were signs that Russian price expectations had risen since the presidential

LME urged to give more data

The World Bureau of Metal Statistics has joined in the debate about the future of the London Metal Exchange following the Sumitomo scandal by calling for the LME to provide more information about stocks in its authorised warehouses

around the world. Ideally, full disclosure of the origin and destination of all the metal involved is required, says Mr Lloyd Davies, WBMS general manager, in the latest issue of World Metal Statistics. Realistically, however, the most that might be expected would be for countries of arigin to be revealed.

Also, information about the volume of "hidden stocks" of so-called off-warrant metal in LME warehouses "would be valuable".

92 21,802 2 11,333 - 3,380 3,387 171,882

1013 -5 1019 1007 110 38,414 1032 +2 1032 1023 1,962 36,709 1045 +1 1044 1037 969 41,213 1055 - 1056 1050 92 21,802 1067 +1 1060 1060 211,333 1078 - - 3,380

1389 +11 1386 1363 2,833 8,905 1432 +14 1439 1407 3,882 26,264 1464 +13 1472 1444 500 16,918

+61 1693 1635 3,257 10,370 +59 1658 1605 5,591 11,419 +60 1616 1570 722 4,315 +57 1565 1540 380 2,807 +62 - - 518 +53 1525 1505 5 167

121.30 -1.85 126.50 121.00 7.586 6,892 111.00 -0.75 114.50 110.50 6,845 10,880 106.25 -1.15 109.50 106.00 1,045 3,471 106.00 -0.75 106.00 105.55 146 1,101 106.00 -0.75 106.00 105.55 146 472

349.8 +0.5 349.9 348.3 858 11,007 345.3 -0.2 345.7 344.9 330 4,148 341.0 -0.4 341.9 340.4 220 6,465 336.9 -1.2 338.0 336.4 101 2,463 335.2 -0.6 335.5 335.4 100 982 324.1 -0.7 - 943

11.81 -0.07 11.89 11.7220,188 69,585 11.41 -0.07 11.46 11.34 9,280 46,296

73.85 -0.90 75.00 73.80 1,988 7,418 74.40 -0.76 75.35 74.3011,281 30,381 75.67 -0.80 76.55 75.60 508 7,878 76.50 -0.75 77.35 78.50 348 6,078 77.10 -0.50 77.10 74 4,575 78.05 -0.45 76.10 78.00 13 1,064

112.85 -0.80 114.80 112.50 1.565 9,938 106.80 -1.95 109.30 106.80 483 4,256 107.25 -1.50 109.75 107.00 431 4,596 106.85 -1.76 111.00 108.75 53 992 109.50 -1.45 111.00 111.00 13 270

IN SUGAR '11' CSCE (112,000bs; cents/lbs)

COTTON NYCE (50,000lbs; cents/lbs)

ORANGE JUICE NYCE (15,000fbs; cents/fbs)

push against rinderpest

The devastating cattle disease could soon go the way of smallpox, writes Michael Pickstock

ong before "mad cow disease" reared its ugly head. Britain's 1880s, when the disease cattle herds were ravaged by a far more devastating dis- Somalia to the Cape killing ease - more disastrous even than foot and mouth. This was rinderpest.

Now faded from public and farming consciousness in western Europe, rinderpest (then called cattle plague) entered Britain in 1865 in a ship load of cattle from the Baltic. In a matter of months it left more carcasses and human misery in its wake than BSE is ever likely to do. The disease is now restricted to a handful of locations in Africa and Asia and could, like human smallpox, be entirely eradicated.

The relevance of rinderpest to western farmers, politicians and public is that while the disease persists even in the smallest pockets in the remotest areas, the rest of the world remains at risk from infection. As more open trading policies and more modern transport systems promote and enable rapid and long-distance movement of goods it becomes imperative to provide importers with the assurance that animals and animal products are free of

In Africa and Asia livestock are recognised as being an essential part of sustainable agriculture and as having a central role in helping to feed fast growing populations. The minor aid donors emphasise not only the contribution that livestock make in the form of milk and meat, dung for manure and fuel and as draught animals but also the opportunities they provide for employment and valne-added processing of dairy products through the development of small rural based agro-industries.

All this is at risk while 80 per cent of cattle and draught oxen and also buffalo and several other species of wildlife. It left thousands of farmers ruined and the ox-cart transport systems without motive power. A century later, in the 1980s, rinderpest was almost eliminated from Africa by a successful vaccination campaign; but control measures were stopped too soon. The disease broke out again and cut a swathe from east to west Africa killing about 1m cattle and costing affected countries more than US\$2bn dollars.

The subsequent Pan African Rinderpest Campaign has eradicated the disease from west and central Africa and no outbreaks have been reported for eight years. Rinderpest is now restricted to a few pockets in southern Sudan and Ethiopia and on the Kenya-Somalia and Kenya-Uganda-Sudan borders.

In Asia, India expects soon to clear its last pocket of infection from the far south of the country, while all the counties east of India are already free of the disease. Infection remains in Pakistani, Afghanistan and parts of the Arabian peninsula. The UN's Food and Agricul-ture Organisation believes that it is possible to eradicate rinderpest from all remaining areas of infection

The FAO hosted a meeting in Rome recently to consider how best to administer a coup de grace to rinderpest. Vets and government officials from all affected regions met, together with experts from Europe and Australasia to work out a smallpox are politics and final strategy.

JOTTER PAD

Veterinary science has rinderpest persists. In the deployed two major weapons against the disease with commendable success: a highly-effective live, heatstable vaccine, which can survive days without reirigeration; and a system for rapid analysis of samples taken from animals to establish whether they carry immune antibodies as a result of successful vaccination. Immunity lasts for life but the challenge has always been to reach all the cattle in a region, especially the berds of nomadic pastoralists. A recently-introduced technique, called the ELISA test, can now establish with-out doubt whether animals are immune or still suscepti-

The second secon

The FAO has worked with national governments and through regional bodies such as the Organisation of African Unity to establish procedures, train veterinary workers promote people's participation, provide vaccine and assist with ELISA testing.

SERMICOA

TITLE LAND

-EUSEY

AND AND MAKE

The irony of the situation is that livestock populations free of rinderpest for several years no longer need vaccination but, while this saves considerable expenditure, it leaves more and more animals totally without immunity and vulnerable to a catastrophic re-introduction of the disease

It has been shown that it is far less costly to eradicate rinderpest than to continue a policy of containment. Referring to the need for

all national governments where rinderpest persists to give final eradication efforts full commitment and priority, one vet from Africa recently observed: "All that stands in the way of rinderpest going the way of human

Anglo American agrees to sell part of Zimbabwe nickel company stake privately-owned businesses. By Tony Hawkins in Harare

In a surprise move Anglo American Corporation has offered to sell a minority stake in its Zimbabwe nickel producer, Bindura Nickel

Although Anglo executives had said earlier there could be no question of their parting with a core mining investment like Bindura, the South African mining house has agreed to do so on the understanding that it retains at least 50 per cent of the

Anglo owns about 70 per cent of the shares in Bindura, the balance being held by private investors, including almost 10 per cent by foreign shareholders. Anglo American Corporation Zim- government purchases of

COMMODITIES PRICES

M ALUMINIUM ALLOY (S per tonne)

High/low AM Official

Close Previous High/low AM Official

Close Previous High/low AM Official

High/low AM Official

Open int, Total daily tumover

Kerb close Open int. Total daily turnover

TIN (Si per tonne)

M NICKEL (S per tonne)

IE LEAD (\$ per torme

LONDON METAL EXCHANGE M ALUMINIUM, 99.7 PURITY (\$ per tonne)

Cash

1267-70

4,812

33,048 8,733

6965-70

III ZINC, special high grade (\$ per torme)

3 milhs

1305 1302-05 1305-10

828-8.5 823-4 831/827

7115-20

6160-65

1038.5-39

1034-34.5

1480.5-81.5 1516-17 1467.5-68 1503.5-04

1479.5/1479 1518/1512

BASE METALS

proposed that the Zimbabwe government - or its nominees – should take an equity stake in BNC. The proceeds of the sale of the shares to the government would be reinvested in BNC, apparently in the development of the Hunters Road nickel

The deal is seen as part of the Zimbabwe government's "indigenisation" programme and is likely to be followed by others in the mining and other sectors. Just how the government will finance its purchase is unclear. In the recent budget the minister of finance projected revenue from privatisation sales of just over US\$100m, but there

Precious Metals continued

Zimbabwe's public sector debt currently exceeds its GDP and the country has budgeted for an 8,5 per cent deficit in the fiscal year to June 1997. Bindura Nickel is capitalised at just over US\$140m and the purchase by the state of a substantial interest would seriously dilute the projected privatisation revenues.

While the AACZ statement says both parties believe the deal is "an important step in the development and growth of the Zimbabwe economy". the impression in business circles is that it will do more to deter than to encourage foreign investors while also further undermining the was no mention of further fragile state of the country's public finances.

GRAINS AND OIL SEEDS

257 2,707 - 84 27,483 86,868

1,006 3

1,013 714

121

456.00 -4.25 465.00 455.50 7.480 19.126

463.00 -5.00 473.00 462.00 18,544 37,108 460.50 -5.25 469.50 460.00 1,173 7,528

377.75 +4.75 384.00 374.26 18.938 57.318

349.00 - 354.00 345.50 70,820 173,572 355.00 +0.25 359.75 351.50 6,404 39,663 360.00 -0.75 364.50 357.50 3,300 13,801 360.50 -1.50 364.50 358.50 2,019 10,052

832.00 +14.75 837.00 818.00 1,596 2,838 806.50 +11.25 815.00 796.25 5,521 14,721 789.00 +8.00 786.50 780.50 41,353117.298 785.25 +7.50 805.50 787.75 2,304 17,742 799.00 +5.50 806.50 786.00 1,477 9,750 798.50 +8.00 807.00 794.50 1,672 7,470

25.39 +0.01 25.72 25.36 2,172 2,051 25.51 +0.04 25.85 25.50 4,931 17,912 25.71 +0.01 26.05 24.81 1,577 13,710 26.05 -0.01 26.47 26.03 7,694 33,122 26.25 +0.05 26.87 26.20 169 4,110 26.55 - 28.94 26.05 337 4,364 17,496 78,206

258.5 +3.1 260.0 255.5 3,403 4,825.
253.5 +3.1 255.2 250.8 8,239 19,207
247.7 +2.3 249.8 246.0 1,897 9,301
245.9 +2.4 248.5 244.0 9,364 29,443
245.5 +2.2 246.4 244.4 1,304 5,214
245.5 +2.5 248.5 245.5 355 3,789
25,931 77,771

86.0 83.0

+36 1118 1085 +33 1188 1155

1315 1160

-7.50 410.00 400.50

435.00 ~7.00 445.00 435.00

318.50 -0.50 322.00 318.50

100.65 -0.50 100.70 100.40 103.60 -0.55 103.70 103.40 105.60 -0.55 105.60 105.50 107.60 -0.55 107.65 107.50 109.30 -0.55 108.75 109.75

406.00 -7.00

Robert Mugabe attacked Anglo Zimbabwe for its failure to appoint a black chief executive to replace retiring managing director, Mr Roy Lander. Anglo is seeking a work permit for an expatriate, Mr Philip Boum, to replace Mr Lander, but this was publicly rejected by industry minister, Mr Nna-than Shamyuyarira last

the sale of BNC shares is a permit for Mr Boum. In the half-year to June 30, BNC earned US\$14m before tax on nickel sales of 5 190 tonnes, warning that because of weak stainless steel demand, profits for the full year would be lower than last year's US\$27m.

■ COCOA LCE (2/tonne

M COCOA (ICCO) (SDR's/tonne)

1684 1645 1608

1560 1540 1528

TOFFEE (ICO) (US cents/pound)

A likely quid pro quo for

MEAT AND LIVESTOCK EL LIVE CATTLE CME (40,000lbs; cents/lbs)-

67.575 +0.1 67.800 67.300 3,443 7,585 69.575 -0.3 69.950 69.450 7,113 41,690 69.850 -0.125 67.075 68.800 3,442 21,977 65.255 -0.125 65.700 65.450 1,578 13,212 67.000 +0.025 67.125 68.650 420 4,638 65.225 +0.025 65.300 65.000 75 2,807 ILLIVE HOGS CME (40,000lbs; cents/lbs) 60,975 -0.95 81,250 60,500 1,483 2,315 55,375 -0.9 55,960 55,150 3,349 15,048 55,675 -1,225 56,425 55,450 1,456 10,127 Jug Oct Dec 75.950 -0.625 76.375 75.600 602 2.947 74.175 -0.4 74.200 73.550 66 1,155 Feb Apr Jun Total 74.175 -0.4 74.200 73.550 78.275 -0.375 78.475 77.900 -2 95.600 95.600 881 1,177 -2 83.300 82.075 1,285 3,717 -2 82.500 81.400 96 562 -1.1 81.290 79.900 10 251 82,075 81,400 80,400 79,950 -1.55 80.000 79.750

LONDON TRADED OPTIONS

Strike price & tonne	CI	<u>щ. —</u>	P	45	
# Aluminium (99.7%) Line	Qct-	Jan	Oct	Jan	
1400 1500	106 37 7	151 · 85 42	6 36 105	19 51	
JE COPPER (Grade A) LME	Oct	42 Jan	Oct	105	
1850 1950	166	155 107	24 57	Jen 84	
2050	54	70	109	133 194	
# COFFEE LCE 1550	\$ep 135	Nov	Sep	Nov	
1600	92	151 122	2 8	56 77	
1650	54 Sec	97 Dec	20	102	
975	41	88	Sep 3	Dec 31	
1000	22 10	71 58	9 22	39 51	
# BRENT CRUDE	Oct	Nov	Oct	Nicov	
1900	-	-	26	50	
1950	101	93	37 61	•	
LONDON SPO	ОТ	ΜA		75	
FOR CRUIDE OIL FOR (p				- 1 C +ar-	
Dubei		41-8.4		0.20	•
Brent Bland (dated) Brent Bland (Oct)		.87-0.8 .09-0.1		0.08 0.15	
W.T.L	\$21.	62-1.6	4x -	0.14	
E OIL PRODUCTS MA		_		(JONNe)	
Premium Gasoline Gas Oil	\$2 \$1	18-218 86-187		+5 +1	
Heavy Fuel Oil Nephtha		89-9 1			
Jet fuel	\$2	92-196 09-211	•	0.5 -1	
Diesei M NATURAL GAS (Per	\$11 wither	88-190 ****)	•	+1	
Bacton (Sec)		10-14.2			
Potroleum Argus, Tel. Long	100 PO	77) 35	9 8792		
Gold (per troy oz)		86.50		2.85	
Silver (per troy oz) & Platinum (per troy oz.)		13.50c 199.25		5.50 5.25	
Pallacium (per troy oz.)) Šī	27.40		1.85	
Copper Lead (US prod.)		77.0c 5.00e			
Tin (Kuala Lumpur)	1	5.01r			
Tin (New York)		85.50		1.00	•
Cattle (live weight) Sheep (live weight)		5.39p 16.37p		.52* L\$4*	:
Pigs (live weight)	11	0.880	+5	.77	
Lon. day sugar (raw) Lon. day sugar (wte)		11.00 72.20		8.30 2.20	
Barley (Eng. feed)	1	Unq	- 1		
Meize (US No3 Yellow) Wheat (US Dark North)	. \$1	41,5v Unq			
Rubber (Sep)♥	. 8	8.50p	+4	0.50	
Rubber (Oct)(F Rubber (KL RSS Not)		8.50p 4.50m	. +	0.50 0.50	
Coconut Oil (Philis		4.0UM 00.0w		2.5	2
Paim Of (Maley.)§		502.5		7.5	

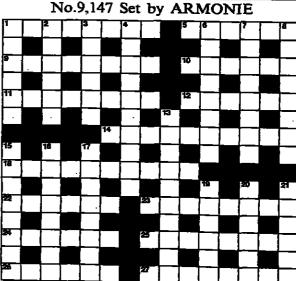
Copra (Philips Solvebeens (US) Cotton Outlook'A' Index

Wooltops (64a Super)

\$508.0 224.0 77.10c

417p

CROSSWORD



ACROSS 1, 5 It takes trouble and courage to provide heating for the retired (8-5,6)

9 Rep stood foolishly where election could be fought (8) 10 Supporter's sick! That's about normal (6)
11 I put in a memo for hazel-12 Tropical plant one found in particular type of earth (6) 14 Wise guy's put the right drink in the vessel (5.5)

18 Firm's instruction to main tain the same course after surprise (4,6) 22 Extract what's allowable after closing of mine (6) 23 Strong cheese is sent back after starting to coze out 21 Divulge note on meat (6)

24 Professional killer "wasted" characters in cinema (6) 25 Relate to dancing bear (8) 26 Freedom of access to measure developing timber (6) 27 Downcast beauty lost

DOWN 1 The concealment of physical punishment (6)
2 King is absorbed by subject of terrestrial boundary (6) The response to a monarch seizing territory down under (6)

English flower (8)

get equanimity? (4.6) New exam contains one trap (8)
Edward accepted a period of abstinence. That's bril-

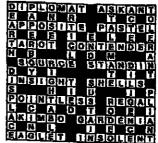
lianti (8) 8 Sets aside rare mask for review (8) 18 Archer's to do a turn for some food (6,4) After Friday, eremite goes

crazy for a break (4.4) 16 Stress Identification is to be produced in unforeseen

17 Guess I'm into property! (8) 19 Claim supporter is in drink

20 Install one in a sumptuous abode (6)

Solution 9,146



1009-09.5 66,040 12,191 Open int. Total daily turnover COPPER, gra (5 per tonne High/low AM Official LME Closing E/S rate: 1.5505 Stat: 1,5488 3 mile: 1,5478 6 mile: 1,5476 9 mile: 1,5474 92.30 +1.80 92.40 92.40 91.80 +1.80 91.50 91.50 90.70 +1.35 91.00 88.10 90.20 +1.45 — 6.371 57.230 PRECIOUS METALS E LONDON BULLION MARKET 395.30-395.70 366.70 249.34 486.09 Day's High Day's Low 367.20-387.50 Loco Ldn Mean Gold Lending Rates (Vs USS 2 months 4.22 508.78 515.35 521.90 535.45

346,30

\$ price 385-368

£ equiv. 248-250

M GOLD COMEX (100 Troy az.; \$/troy az.) ■ WHEAT LCE (£ per tonne) 386.4 -1.5 387.7 388.7 216 321 389.9 -1.5 390.1 388.3 1,810 11,850 381.7 -1.5 393.3 391.2 19,615 75,973 394.0 -1.4 385.0 383.5 1,741 11,820 396.4 -1.3 397.0 397.0 87 5,576 389.9 -1.3 - 1,029 11,503 24,771 189,785 ■ PLATINUM NYMEX (50 Troy oz.; \$/troy oz.) ■ WHEAT CBT (5,000bu min; cants/60to bushet) ■ COCOA CSCE (10 tennes; \$/tennes) DOTITIO)

Get. 404.0 -0.9 404.5 402.1 1,778 19,338 Sep.
Jan. 405.9 -0.8 405.0 405.0 217 2,996 Dec.
1310-12 Apr. 408.1 -0.8 407.9 407.0 100 2,600 Mar. E PALLADRUM NYMEX (100 Troy oz.; \$/troy oz.) BARLEY LCE (E per tonne) M SOYABEANS CET (5,000bu sale; cents/60b bunke) 21.66 -0.18 21.90 21.60 31.027 68.753 SOYABEAN MEAL CET (100 tons; \$/ton) 20.60 -0.13 20.80 20.60 17,960 28,617 Asy Sep Oct Dec Jan Mar Total W POTATOES LCE (E/torme) +0.12 61.10 60.25 6.001 17.653 +0.12 61.10 60.40 1,162 10.322 +0.07 61.15 60.60 2,534 24,179 +0.07 60.60 60.35 585 11,738 -0.03 58.25 58.80 466 6,520 23,728 115,479

SILVIER COMEX (5,000 Troy oz.; Certis/troy oz.) **ENERGY** IF CRUDE Off. IPE (\$/berrel) HEATING OIL WINEX (42,000 US galls; pAUS galls) E CAS OIL PE (\$700me)

price change High Low wat me 194.25 +0.50 185.25 183.50 6,369 24.774 188.50 +0.50 184.25 182.75 1,803 8,299 182.25 +1.00 183.00 181.25 862 4,409 180.75 +0.75 181.50 178.75 2,76 12,192 178.50 +0.55 178.50 178.75 450 4,972 174.75 +0.25 176.50 174.50 188 998 12,933 84,157 III NATURAL GAS MINEX (10,000 minibal; \$/minibal) 2.095 +0.039 2.100 2.040 12,974 25,113 2145 +0.020 2150 2100 8.158 26.501

2235 +0.015 2235 2.190 1,617 13,776 2290 +0.010 2290 2256 1,202 15,175 2295 +0.005 2300 2285 1,117 11,908 NYMEX (42,000 US palls.; c/US galls.) 62.30 -0.79 63.10 62.20 12,775 23,549 80.90 -0.71 81.30 60.80 7.245 58.35 -0.63 59.80 59.30 2.384 58.05 -0.48 58.35 57.90 1,037 57.15 -0.83 57.45 57.15 849

849 3,839 246 1,531 24,761 66,886

Nuts and Seeds Prices from Kenkko Group; USS a tonne Iranian pistachice 28/30 raw (in shell) naturation posterior 2000 in the left intelligence and from 1995 crop 3,350 CPP/ FOT MEP, steady: 1996 crop estimated at 85,000 tons (correction from last week) — price indicated at 4,000. US almonds (shelled): 1996 crop, blanchad, 23/25 NPSSR AOL 8,380, shipment September-NPSSR ACL 8,380, shipment September-October; 23/25 NPSSR at 5,600, shipment September/October – all FAS California. US weshus 1998 crop LHP 20%, 5,000 FAS California, Jumbo Herdey No 1 indi-cated at 2,204. Turkish hazeiruts, stendard No 1, 1998 crop, 3,400 CFR MEP for shipment from September. Indien cashews raw: W-320, 5,850 spot Europe - down or lack of demand. Price increase expects soon because of reduced availability.

WOLLIME DATA
Open interest and Volume data shown for contracts traded on COMEX, NYMEX, CBT, NYCE, CME, CSCE COMEX, Crude Oil are one day in ameans. Volume & Open interest totals are for all traded months. INDICES

M REUTERS (Base: 18/9/31=100) **CRB Futures (Base: 1967=100)** Aug 13 Aug 12 month ago year 249.91 249.90 ■ GSCI Spot (Base: 1970=100)

FINANCIAL TIMES THURSDAY AUGUST 15 1996 OFFSHORE **AND OVERSEAS** (SIB RECOGNISED) Surenin Funds (Baget (Gairman)) Lif FO br. 244, 3: Four Fox, Downey (1943 72302) Grander Defer Claim (1943 50.12 235) 40.85 — Grander Defer Claim (1943 50.12 40.49 2.22 Grander Defer Claim (1943 50.12 40.49 2.22 Grander Defer Claim (1943 1943 40.14 40.1 **GUERNSEY** Castin Honogeonest (Canrapy) | 14 | he[ado]int Essang | 14. | | 25.5 Edicheryk Bult Trest Managers (freized) 1.5d 80 Herourt Brest, Dabin 2 00 3531 7402400 Dabing Bult Bur He J. 98.5 Jahren Bult Ser He S. 90.7

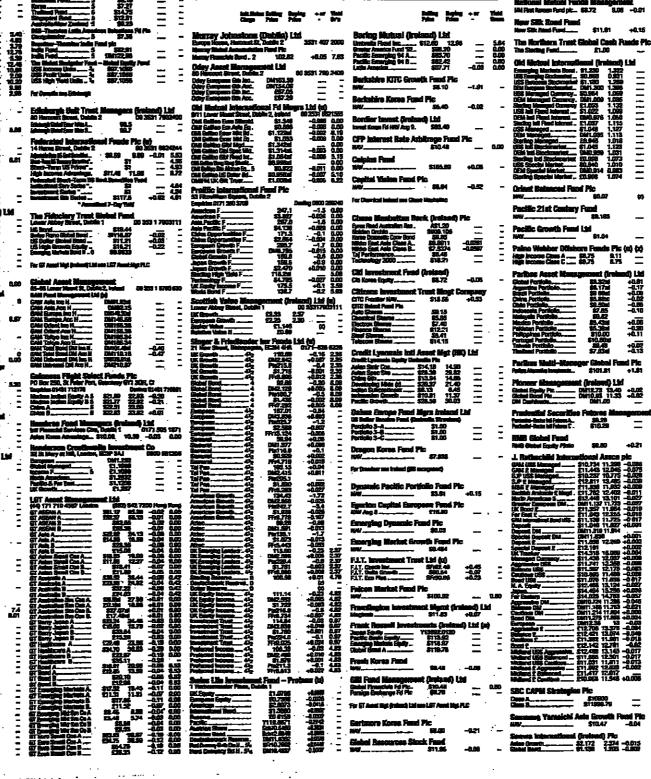
SAVE YOUR POCKET MONEY.

(CHILDREN GO FREE AT NOVOTEL.)

For details of our 18 child-friendly hotels in the UK and a further 300 worldwide, call 0181 748 3433.



Criest Balanced Facil Pic 1000



| Personal Imperator | Personal |

Offshore Funds | Sect |

Berling Board Case ... 97.95

Inglia, Diff. 1 93873 1,0073 4,9894 470

Ignat. 1 93873 1,0073 4,9894 470

Ignat. 1 93873 1,0073 4,9894 470

Ignat. 1 93873 1,0073 4,9894 10,989

Ignat. 5 1,3883 1,3982 0,0183 10,88

Ignat. 5 1,3883 1,3982 0,0183 1,9894 10,989

Ignat. 5 1,3883 1,3982 0,0183 1,9894 10,9894

Bank of Iroland Asset Mogant (ICM) Lid to Good Foots ## Status Feeds

Status

Statu Syfrets International Found Mesons
ATD International Dollar.
Bit Inter INVESCO International Limited
All funds design above industrial.
Studing Countries and Investment Funds.

Lousbard Odler (Jerusty) Ltd
Floot Interest Funds
Guiden Ltd
Jecumbring Denose
Lipps A (LST) States
Class B (LST)

CROSSWORD

Inderped

Hambres fel Mars (CI) LM PO So. 235, Guerner

+8.57

Lloyde Bank Fund Menagers (Buern Desiral Banksemby 12, 210,25 10,49 Engletter Atr Like 13, Roll-61 8,325

For Imma Billed Spatial C. 38

From Ambient Statement of the Spatial Confession of the Spatial C

4,

FT MANAGED FUNDS SERVICE Offshore Funds and Insurances ● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (444 171) 873 4378 for more de : ME LUXEMBOURG ABS. 04 CRG. 80 CRG. 80 CRG. 80 SD. 84 SD. 84 SD. 84 FSS2 -45 +0.07 -0.02 \$2.245 DMA.81A \$18,14 Y135.5 \$2.054 \$2.772 +0.005 +0.05 +0.05 +0.05 +0.004 -85 20.05 62.49 62.65 LUXEMBOURG (SIB RECOGNISED) 613.29 \$12.99 -962 -962 \$10.77 \$10.45 -9.DT -68 -0 00° 했네 0171 734 3700 Allos Fé Sic A 38Y O Alternar i (u +0.01 1235 -0.02 -0.03 -0.03 -0.03 \$79.40 31.04 -0.01 \$8.78 10.30 +0.04 \$15.94 18.76 -0.15 \$16.14 16.99 -0.19 \$14.20 14.95 +0.09 \$17.29 18.20 +0.04 \$25.00 41.75 +0.19 \$8.75 10.27 -0.06 \$12.00 13.05 \$12.00 25.05 \$26.00 27.96 -0.10 RFEE Global French

1 . 4

Part of

50 8 \$ 50 5 5 5

FI Chillips Light Touch Division and Division Light Touch Ligh		T MANAGED FUNDS SERVI	CE	Offshore Insi	21 urances and Other Funds
FT Cityline Unit Trust Prices are available over the telephone. Call the FT (Marine	Ned Saling Baylog + or Yeal House Price - Bree Credits Investment Foods	Sulling Beyling + or Yhald Bulling Buyling + or Yhald Reference Price Price + Greek Garracotte Fuzzi of Francis Litel Indiverses Access Management Acids I tri	MRI (Init Treet Managers ! Imited PR	suring toping *** You Print Print Print C Internett Portions Fd Mingt Ltd. S	Saling Buying of Yeld Pales Pales . Bress (milth Bassney Franch;
Comparison Commission Com	Asian SPITES 1270 Groß Agran Fest. \$947.78 \$00.55 CS Fords-Interestinal. \$977.58 \$00.55 CS Fords-Interestinal. \$977.58.79 142.75 Earsy - Vator. \$7140.09 140.75 Erre. \$7140.09 140.75 Erre. \$140.00 140.75 Erre. \$195.00 14	Br Arth A Flast vs. Jan 28 51.101995 January Feb ps 51.4029 15.755 + 91.125 Sr B G F Goldy Jan 78 51.55550 Pricing India (10) Pricing India (10) SST G Ross & ST G Ros	Mart Practic Veri	flig browne Piddo C1,9479	unders Descri Wer has 11 STR-33 minute Scrope E (1940) - \$14.15 minute Scrope E (1940) - \$14.15 minute Scrope E (1940) - \$128.30 minute Scrope E (1940) minute Scro
ParaEnroLife anciete anounces 36 in ferio-Therent, Learnebung 10 on St. 446730 Arreit Capital Advisors, LLG 10 on St. 446730 Arreit Capper Ltd. 5104.29 CermanStratur Aug 14 Pricess, 5-6,71 GermanStratur Aug 14 DRCCC.59 +5.88 Arc Investment Company Ltd.	- BVR Emelor	See Projection (19.1) STREED OF See Projection (19.1) Street (19.1)	The MC Corolo Found LP MCV Aug 1 \$102.46 PFT BID Sees Re/Enterprise Informational Ltd. in in Corol Al Score Not 25 Follows DBV to quote date some consistance page.	## Issued Growth Fund Ltd of South \$ 5.07	34 Opportunity
Premier Life 1 stay Faire Bass, Linguisticary The 2000 Tel 4000765 For Arbitratile we Business Regulated Oncorport Challes & Fd. 27.23 Rostingson S Pean	Consid Water U.SDollar. S. 278.22 218.44	The Geo Semanti Frind Indicate: Asset Margi Luffe, Americal S.A. Side 1494 Geo Semanti Frind Geo C	Cabati Egypty	Field Refs	9 Serring
Argert Briton	Green Way Characteris Int 147102.50079 Credit Lyconorie Intl Asset Nignat (SIO) Lid (1200 Ade-Pacific Street	- Bertrust SA Section Fort SAS	US Good Board STU. 13 Case Wared Total Return STU. 10 - RG. Recount STU. 10 - RG. RECSERNIS Global Fund Ltd. Nam Jul 31 - STU. 0 - PAC. Case STU. 10 - PAC. RECSERNIS Global Fund Ltd.	1977 1978	The Southbeast Asia Frontier Fund (SEAFF) moder Fund Management to 19 and 21
Professional Investment Consultants Out the Active Managed 2, 104.458 0, 488 - 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Creditausiak investment Co (Prague) as catacist to b Saw Int CO1, 12 Creaty Asset Managament Ltd Ann Valm to like 27 510.00	SAM Anthrops	Magnem Finels Magnem Finels Magnem Ay Sets, Jul. 11, 5717.86 118.84 Magnet Ay Sets, Jul. 5717.86 118.84 Magnet Ay Sets Jul. 5717.86 178.84	## Star Frand Ltd. ## \$150,5085	Irl Lanks Growth Fund Irl Aug 6
For President Southles on Index 1.132	- Crist Miles of Aug 12. \$11.48 +0.10 Thai Day Cap Hav Aug 7 \$15.64 Crystal Corporation N.V. She Chart Att Aug 9 \$121.03 125.04	- Claff Rend Ver version - V15463 - JBSTURRE Filtering DOR LFILERS LESS - SEA Broad Rend Version - SEA STATE - Ain Frankly Frends - SEA STATE - Ain Frankly Frends - SEA STATE	Integrated List Season 23 - 3702.36	ether Capital Advisors A Per Fued Aug 9 511.25 S margy Limited 11 do Scorten Harp Log \$25.43 26.06 S	cline Europe
President Creation A.	Crystal Famil List Crystal Jon 30	Separation	ECU Fund Ltd	Pace int 166 (1 let)	Compil Money Ranagement (Remarch) Ltd. proper Farmer . 187 85
SAM 1	Dipology Ingrestment Trust Co Ltd form Trust MAV Aug 17. State Trust MAV Aug 18. State Trust MAV Aug 18. Debut house best Mai 18. Debut house State	Control Cont	Malaysia Growth Pand Not Aug 8. \$17.27 Phil E D & F Man Investment Products MAT Language-Out \$251.07 Phil	1 2000 S11.13 - S Engine Income Find Inc Aug 7 S10.48 - A Aug 7 S10.48 - A Aug 7 S10.48 - S10.4	Amiss Bank Corporation between High Yield 57+106.82 107 09 menorativar 5488 36 491 27
RU income Porticio \$1.957 1.157 +0.007 BZW Micho 85 fT \$1.95 +0.001 BU micho 85 ft \$1.95 +0.001 BUW Micho 85 ft BUW Micho 8	Balance APT Japane Franci Dulma APT Japane Franci - Dulma Intil Capitral Messagement (ELK.) Ltd automain Easty 1997	GAM 17cm	Beart Call Carescepts	patr Capital Limited Fileson 1609 Fileson 1609 Fileson 1609 Fileson Fi	Intribution (1975) (1980 Intribution (1975) (1980 Intribution (1975) (1980 Intribution (1975) (1980)
Continue Barriey Ngd., 21 814 1.725 +0.002 Bable Famil F Balanced Barriey Ngd., 21 814 1.777 +0.002 Equity Statement (100-1). \$13,05056970 = Caustum Balanced Barriery - 1,1524 +0.003 Bast Famil F Custum Balanced Scriptory - 1,1524 +0.003 Bast Famil F Balanced Referency - 1,1524 +0.003 Bast Famil F Balanced Referency - 1,1524 +0.003 Bast Famil F Balanced Referency - 1,1525 2.007 +0.003 Bast Famil F Balanced Referency - 1,1524 Bast Famil F Balanced Referency - 1,1525 2.007 +0.003 Bast Famil F Balanced Referency - 1,1524 Bast Famil F Balanced Referency - 1,1524 Bast Famil F Balanced Referency - 1,1525 Bast Familian Famili	Decim Assim for Ag 8 \$5000.73 Decim Assim for Ag 8 \$5000.73 Decim International Capital Hags (Sgp) Ltd Dock Majorin for Ag 13 \$10078.93 Decim Papatrinica Trust Company Ltd Lutin American Ad 31 \$20 85	State Control	Athenic Laid Life May 12 loc	Private Client Portigilo 18 Mangad Faths 19.83 — 9 19.83 — 9 19.80 — 9 19.80 — 9 19.80 — 9	proping historics \$100.0 € 110.75
C Descat	For Designate Pared And 51 \$71024.29	Develop Stanlight A. 110.47	All-HE CROSS TIPE Tracking 89.04 - Juny 44494 CROSS 15.297 01 - Auto All-HE CROSS 15.297 01 -	99.71 - 10 notests	IS Group Managers Ltd meth
S personal revision 0 - 51 905 1 532 40001 And France	Diseascher Book kertestmant Group Buntocker investmant-Front Diseasch St.	Select Assess Tasss A. 307.25 18:40 807 806 Frant 39:49 1807 1807 1807 1807 1807 1807 1807 1807	Map Law Heconomy	restored Determine \$10.53 11.09	AM Aug 9
S A44. 1 A45. A22.067 2.175 +0.015 S A44. 2 A45. A51.174 1.255 -0.025 S A44. 3 S 174 1.255 -0.025 S A44. 3 S 175 1.800 -0.036 S A45. S 175 1.800 S	De-Prohistings. UNIT 29 80.02 — Deductor Posterior DesGross 90.25 — Descriptor Posterior DesGross 90.25 — Descriptor Information DesGross 100 Posterior Statement Statement Services IXT-Descriptor Statement Services IXT-Descriptor Services IXII-Descriptor Services IXII-Descriptor Services IXII-Descriptor Services IXII-Descriptor Services IXII-Descriptor Services IXII-Descriptor Services IXIII-Descriptor SE	Select April American Select Select American Select Select Period Select Selec	Report International Foliated Ltd Communities Friend Ltd Communities Friend Ltd Communities Friend Humanus Generating Ltd Communities Comm	hocked Asset Mesagement (10M) Ltd. and Reut to Ltd Say 10 82 1.00	he Thail-Earn Frank Ltd rych Bush Frank Hings: Sparmory Ltd rottened May Aug 9
IA Equals Verifiede Map 1 201 464 +0.000 August 1 201 2013 +0.013 Beals Veri Errast & Cile Ali 1201 2013 +0.013 Beals Veri Errast & Cile Ali 1201 2013 +0.013 Beals Veri Errast & Cile Ali 1201 2013 +0.000 Cile Many 1 2014 1 201	DTT-Lux Stemenschilburn. DMS-1.77 100.09	GAM (CA) People SA2SB.40 -0.40 - Photos and August 13	Tonyo Pae Hidga, NV	inger Embassy Funds Ltd invernment A	NAW Aug 12 Bast 274599.90 DR value USS9953.71 The Thailand Growth Franci NAW USD4 15 August 9 The Thailand Intil Fund Ltd 1608y international Ltd
Control Perfolio 1.004 1.009 40.001 Loto Am Class A. Lett 31 58.08 -0.24	For Dynamic Hestyn non Legende Fund EGS Overseens Fund List EES Overseens Fund List EES Overseen Aug 8		Develope Marios Higgs Si D16.51 Bab D0 Develope Marios Higgs Si D16.51 Bab D0	al Growth Fund A. 512.22 +0.01 - Not Growth Fund B. 512.00 +0.01 - II crowth A. 512.00 +0.01 - II crowth A. 514.17 -0.10 - II crowth B. 514.17 -0.10 - II grays Borrupo [12] Phi 50 - 544.15 -0.27 - II crowth B. 544.15 -0.27 - II crowth B. 544.15 -0.27 - II crowth B. 544.15 -0.27 - II crowth S. 544.15 -0.27 -	AW Aug 9
Un Deferred befrieden (f) (* 1.162 Farm, fei hief Ang 8 \$31.33 Un de (f) 1.144 Carpana Her Ang 8 \$31.33 Global (f) 1.124 Earng Earn e 400 Ang 9 \$1.1140 International Equity (f) Earng Earn e 400 Ang 9 \$1.1376 Lorn Herste betwee 6 940 (1.091 For Sampy today Professor, (1.091 For Sampy today Profes	HAM Ang S		Barristonia Supragram Su	mateura Feird	inpan Warmarte
16.17 Forestand Panal, depth 1 00 3531-804 4000 1 Stefang Reserve — 1 020 1.020 — The Backwis Fixed List 1 Safety Pan F135 100 . 17 0180 1.0180 — 514.59 1 Safety Pan High 900 . 10 1970 1.0170 - 0.003 1 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.003 2 Safety Pan High 900 . 10 1970 - 0.00	Ediaheries Portfolio Ltd 1800 Seles Portfolio Ltd 1800 Seles Portfolio Ltd Egerton European Doller Fond Ltd 1800 Aug S		Start Start - Ferma World Income Case Case A	ser Ind (MAV Aug 9 \$25,5169	ion Tigar Schoolsoni Frind philaten
Service Control Cont	Nitt Aug B		Merrill Lynch Supressy to the Maria State	edus India MAP Aug 9 5179	ST2.86
S Sortiff Provident Lett Life Ass Life Statement Li	Some Villato Steels Jul 31 \$250 25 - 11.96 Latto Am En Mico Jul 20 \$25 10 - 49.92 Engigera Investments 1.td - Caryonan Engigera Described Aug 8 \$70.92 Fortists and Aug 8 \$70.92 Latto Am I Aug 8 \$70.92 Latto Am I Aug 9 \$70.93 Latto Am I Aug 9 \$70.93 Latto Am I Aug 9 \$70.93 Latto Am I Aug 9 \$74.95 Latto Am I Aug 9		Uss Geome Corrency	Implementation Log SAM / SAM First Bellement Log First Bellement Color First SAM / SAM First Bellement Color First SAM Fir	Taxas Novament
See Caustonal Happy Car S. 11, 1235 1, 17220.005 For Burdler set Vetand (Regulated) 1727 - 0.005 1727 1	The Endironmental Investment Co Ltd Ecole Ford Management Ltd Str. 3	GUCCI TIMEPIECES ARE AWAILABLE FROM GUCCI BOND STREET, W.I., GUCCI SLOANE STREET, S.W.I., HARRODS AND SELFRIDGES, ALSO AT SELECTED BRNEST (ONES, LESUIE DAWS, GOLDSHITHS, WALKER AND HALL, WATCHES OF SWITZERLAND,	Mono Encended, 1984 4 98.44 - 214 - Page Mono Levelage Jul 31 - 510.20 100.20 14.33 - Page Mono Levelage Jul 31 - 510.20 100.20 14.33 - Page Mono Macrosandre, ad 31 - 512.99 127.96 - 149.92 - Page Manufacture Page 7 - 5129.00 Red Law Pager Aug 7 5129.00 Red Law Pager Aug 8 - 5129.00	the Resident of Light 2	oinal Observer —
Sing Deposit	- Catalongs of the Setting State DM11.89 +0.00 Emittings Oticy A State	MAPPIN & WEBS, SEAVERBROOKS AND OTHER PINE JEWELLERS. Saling Bridge or That Bridge Price - Bridge Bridge - Brid	Man Valence (Petropa da 7) 5745.27 145.27 -2.071 - Island Marrie Calengrape - STUG.58 195.52 +55.77 - Usdru US Master Las (Sategrape - STUG.58 195.52 -2.50 - With Island (Sategrape 1971, 5725.02 195.52 - 4.50 - Calendari (Sategrape 1971, 5725.02 195.52 - 4.50 - Calendari (Sategrape 1971, 5725.02 195.52 - 4.50 - Calendari (Sategrape 1971, 5725.02 19	### And Anni Agents 12:	rigone Capital Finance SA gradin Energia Mitos 5789.57 621.57 loge Macogenerat SB Private Investor Fands 85 Private Investor Fands 85 Bood S101 48 -0.21 - 85 US Gaptr 598.62 -0.89 - S1 terrentonia 858.42 +0.41 -
region compared (party	- Ending Anni Saintin Ford 1 1127	GNN international A. \$20,32cd +0.03 - Man Smile Companie Chip. \$0.83 0.58 57.30 1.37 57.30 1.37	Mostgomery Emerging Markets Fund Ltd Market 9 State St	30. — 545.78 — C.	\$\$ Flooting Rath Fund Ltd 20 B
For East Jrs., separal. 20,990 1,090 -0,986	Station	SAM Asses Captial S18.41st G0.02	Hotgeria \$10.05 10.75 Heat Microse Global Investment Strict S	Sept Sept Communication 1911	ord Achteror Ltd Jan 20 . \$1005.75 Haye Findures Found Light and Achteror Ltd Jan 20 . \$10059.00 titra Hermose Found ng Achteror Ltd Her 31 . \$1044.64 https://distract.com/distraction/
Amortical Opportunation \$3.972 1.046 - 0.004 GR Shaft Form And 10 FF 1987-62.75 1.086	Forcharch Capital Management, Ltd. Caron. S719.23 - S719.23 - S719.25 - S71	Nov. Let 31	Morgae Streley/BLL Global Allocation Fd Ltd Road Strel Band Aug 6	inic Lade dan Alexandra	ac Annexes Dess A let 31
Capital Interestional Current S0.801 C.857 C.801 Capital Interestional Current S182.27 Capital Interestional Cuple in First Capital Interestional Cuple in Fir	IS Lay Den Stance (I.A. Aug. 13 11.06	The Global Massaged Investor: Bond Limited 19 Ann Peetic	HERONOMIA INVESTIGATION THESE COMPANY LTD The New York From \$13.9073 100 CT Mear East Opportunities Fund Limited Buss Note East Opportunities Ltd (Rabenuses) Mer. Merchield Interventional Ltd (Rabenuses) Sub-	South to Co. 181	plianco-Unico de Bancos Brasileiros S.A. novello Dels
Sun Althorop International Life Pi for 7: Les foreires 1, 17 Pais Part Gray US truta Once Manager 5: 92 215 30 Sun Life International (1085) Lid Sun Life International (1085) Lid Sun Life International (1085) Lid	US (ut have been 0 Aug 12. \$0.77	Soldman Sachs 18-03-189 374 37 - 18-03-08-187 - 18-03-08-187 374 37 - 18-03-08-187 - 18-03-08-187 374 37 - 18-03-08-187 374 37 - 18-03-08-187 374 37 - 18-03-08-187 374 374 374 374 374 374 374 374 374 37	AC Surver New May 31 . CET 18.4628 Sch. Horth Athartic Nignagarmout Co Ltd Copt Compass. 512.29 12.65 CSch. North Star Fund Managers (Cayeman) Ltd Atia	roder investment blessgement Limited yes to figure Aug 5	b triescontenental
Text 44 (0) 1024 (C.) 2010 Percentury of a 1152 (C.) 2014 Aggregate Manageré 1152 - Chesenposite Capital Corporations Aggregate Manageré 1152 - Chesenposite Capital Corporations Educated Manageré 11525 - Chesenposite School Corporations School (C.) 2015 - Chesenposite Capital Capi	Atom Force ()	Identify Lynch Surfa Stansay Inc CRIMA LUCITS Surfas 1 \$250,23 CRIMA LUCITS Surfas 2 \$251,55 CRIMA LUCITS Surfas 3 \$254,155 CRIMA LUCITS Surfas 3 \$254,155 CRIMA LUCITS Surfas 4 \$254,77 CRIMA LUCITS Surfas 4 \$259,47 CRIMA LUCITS Surfas 5 \$259,47 CRIMA	half Bernel Found	Acc	entage investment lifernagesnest Ltd ntage blood invest
OTHER OFFSHORE The China Fond NW Acg 0 40.08 Substitutes Price 40.08 State Price 40 40.09 Sta	First Insentiments Ltd Section 5.5570	Forcins than Fall to at 7: \$59.17 Hermandis Frend List Guardian Global Asset Management Ltd Guardian Global Asset Management Ltd Guardian Global Peters . \$115.000 French Conta Peters . \$115.000 Korea Reparation Trust Co Ltd Korea Reparation Trust Co Ltd	Bernin Samplen Bernin Der Tree Frei Bernin Ster Der Bernin Ster Der Bernin Ster Der Bernin Bernin Ster Der Bernin Bernin Ster Der Bernin Bernin Ster Bernin Ster Bernin Ster Bernin Ster Bernin Bernin Ster Bernin	ney & Band Act	He Vietnam Fund Limited yet that Foud Minuser Charactery Lad of Fully had all 31 \$11.26 Their Fung UST non EDV when UST prichedia Limited 8 Aut 37 \$75.52
ATSP Missaggement Ltd Citiesuk Global Asset Missat (Ania) Ltd Nipsae Fri Solute Name Grown Trust Might Co Ltd Nipsae Fri Solute Name Grown Trust Might Co Ltd Nipsae Rown Trust Might Co Ltd Nipsae Fri Solute Nipsae Ni	Formous Growth Fond Linkbad Formous Growth Fond Linkbad No	Route Report Restriction Restriction Route English Route R	Ordey Asset Management Ltd: Day European LS Dat 156 41 Hope Code European LS ST 84 27 Paul Tibe European Fund Ltd Clotte Stanton Fund Ltd Clotte Stanton Code Sta	Second S	philes interpretional investment Fd Ltd intersection Grown S10 40 tens for GL
And to see Access 1. 177-18 25 City & International Securities Ltd Improvement and National Securities Ltd Improvement and National Securities Ltd Improvement and National Securities Securities Ltd Improvement and National Securities Securities Ltd Improvement Sec	Frank Russell Investments (Caynom) Ltd US Senty	Company Comp	Opportunity Fund (2) fraction Egyption	al seconde	nd Secon Lakel vag 2. Deficial 188 reig-Differenta International Limited
Claridon Bank Claridon Ban	DEC SIN America Can har Co. 49 Approx Sin America Can har Co. 41 Approx Sin America Can har Co. 41 Co.	Housemann Midge BV Curacon Newman At 1	Options Fund Management from Name Sept. 1 511 43 Options Fd MW Aug 9	correct on age to p conge me DH Franch Spangers Idear, Shawel & Clark Inc Comp bill from 13	mote one in pence unless commune undicated and nace designated 5 with no proble retre to U.S. dollars, leight to allow for oil buying coperages, noces of certain other manufaces through plamp subject a capital gallin late on make. If Funds not GEI recognised. This regulatory authori-
Alligence Capital Late America 509-5-4 Late Number	- Eili Frand Managenteert (Fernande) Ltd StratSon Fel Ltd \$14.50 - Station Fel Ltd \$14.50 - Station Fel Ltd \$13.50 - Fersign Entange Fel Ltd \$13.50 - House Entange Fel Ltd \$10.08 - Tentral Fel Ltd \$10.08 - Tentral Fel Ltd \$10.08 - The EP Taiwan hujan Frand MM And 13	Dif Revestment & Davelopment Financing Ltd Libertal BAS Finance S101.10 Libertal BAS Finance S101.54 S1001.54 S1001.57	Martiner MAV Ang g	eta Amaritania (j. 121.33 — 10.547 L. 10.547 L	ormunda - Bermunda Monetary Aumonty- setembre - Rivernacia Samvice Commission - sience - Central Bank of Indamid - no of Mann - Premindal Supervision Commission - many - Premindal Survivos Concentración - Marchalle Contracto Concentración - visión charge - Chargo made no male of untal - sidire partie - Chargo made no male of untal - sidire partie - Chargo made no male of untal - yunga partes - Offer de hause perca. Inte - The firms shows plonquide the hand mannapar's untal - The firms of the factor in voluntation point unions sections.
Alva L resergenç Aces	MAY Aug 17 - 19 - 19 - 19 - 19 - 19 - 19 - 19 -	1 20 20 20 20 20 20 20	Others cover Field 57,001 8,005 when cover the cover Field 57,001 8,005 when cover field 57,001 8,005 when cover field 57,001 8,005 when cover field 57,001 8,005 security for the cover field 57,001 8,000 security field 57,001	inc Opport in: Anig 12. \$15 99	MP 0001 to 1100 house, and the state of the
Appendix of the part of the pa	Correctio Rendelma Ltd	US Outer Liquidate	University Development Company Ltd 90 M Shio: 90 M Shio: 90 M Shio: Shio	and common stock services and services	p Periodic periodic in faturance claim. Singlo periodic incaring a singlo periodic in a USTIG funcionalistic or Cofeccion investigation in Transferentie Securities. S. Officer patte inclution of excession underly agent's commission of the Including of excession under the Including Previous days a proc. S. Caternase comm.
Ages Pecific Jul 31 \$3.01 of leading resident count of New July 22.41 Ages Process As 21 \$2.3 10 leading Count	Campail Fact St	Mor Aug 2 507:18 - Hadged	972.11 - Story Oryx (India) Fund List NOV Aug 9 - SLA3 - 8-A-Ear	head fund line. The Aug 7	o Yeld Delova Jessey to: For-cuckWellon, 2d - Ex-delidency Ex-cuckWellon, 2d - Ex-delidency Ex-cuckwellon, 2d - Ex-delidency Color and the
and the second seconds					

HOUSEHOLD GOODS - Cost.

They was a series of the serie

のでは、100mmの

THISTIPA

THE LIGHT STATE AND THE STATE AND

BE FERTHER LINES OF LINES OF THE STATE OF TH

المحلف في | المحتوجة المحققة المديدة بالجفيل المرافظ المد الهدام ألد أد أمده أط أ المنطططين تمث]] إلا أضاء أنه ألج تبضيفهم] }] إ

はってニュー

电计算器级型计划行为公司

说《西西拉巴代语》并被对西西西班牙中,他们是这种是这种是这种是这种的一种,我们也是这种的一种,我们也是一种的一种,我们是一种,我们是是一种的一种,我们也是一种的一

| No. | Section | Section

DIVERSIFIED INDUSTRIALS

Price 501-18 473 1190 1191-1 1 - high 80'), 1820 - 3822 - 1177 - 1177 - 1180 - 120', 121', ・ ウンユュー 注 | たっしょし | レーニー | シャー・ニー | ユーナ・ヒーナーは、 だかさ。 ・ ウンユー | 注 | たっしょし | レーニー | シャー・ニー | カー・コード | レーニー | 長は1は4111は111ない111はない111 BUILDING & CONSTRUCTION

· 如果然於此樣學的是一次可是實施以其次的語為是其美國的語言可以 Abrigions Advisor Proceedings of the second of the second

BUILDING MATS. & MERCHANTS

BU

र् || कि. मि || || महा || क्षि || कि. || ELECTRONIC A ELECT

1000 PT (2000 PT) 1

ME DISTRIBUTORS

12.4 Bell late | Notice |
10.1 Apr | Late | Late | Late |
10.2 Apr | Late | Late | Late |
10.3 Apr | Late | Late | Late |
10.4 Apr | Late | Late | Late |
10.5 Apr | Late | Late |
10.5 Apr | Late | Late |
10.5 Apr | Late | Late |
10.7 Apr | Late |
10.7 App |

FOOD PRODUCERS - Cont.

| Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Cont. | Food Producers - Con

FOOD PRODUCERS - Cont.

The state of the s

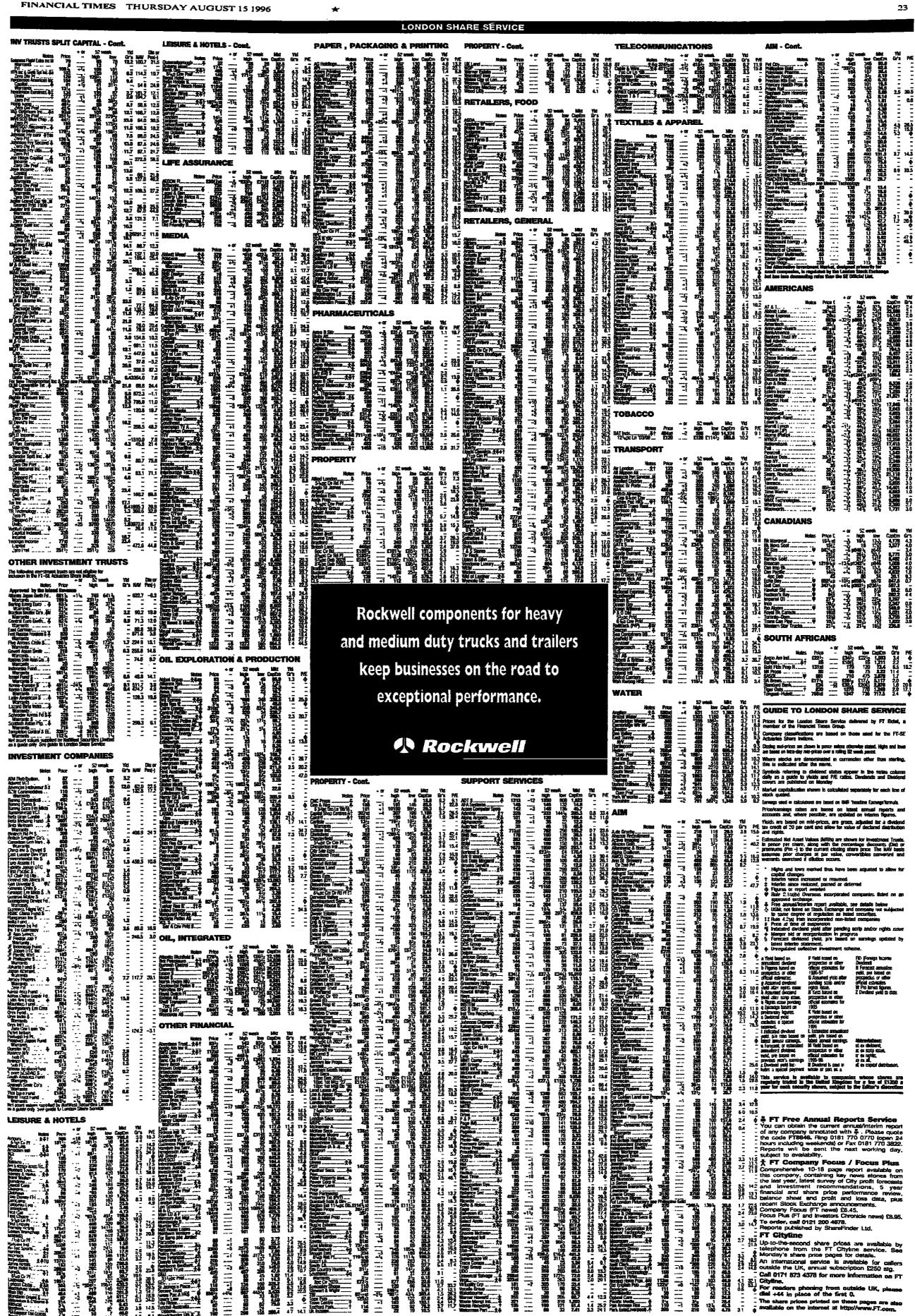
电影电影光谱 经通过通过 医电影 电子电影 医克勒氏性 计正常 电超级 医光红 经上头人的 医电影 "我们是是这种,我们们是是这种的,我们就是是一个人的,我们就是一个人的,我 Here the second of the second

以中国的对于广泛的,是这个形式是这种的的,是这种是这种,也是这种,也是这种,也是这种,他们也是一种,也是一种,他们也是一种的,也是是这种,他们也是一种,也可以是 1995年,我们也是一种的,我们也是一种的,我们就是一种的,我们就是一种的,我们也是一种的,我们也是一种的,我们也是一种的,我们也是一种的,我们也是一种的,也是

A Martine Spire of the Control of th

حيكنا من الاعل

. .



LEISURE & HOTELS

。 《唐·奇·诗·李·宗德江风景高广·李宗和中汉西西公子诗古李宗《唐风图《宋风文》张兴·李诗·诗宗春《宋光文文章 Actions Action Name of the Action of

Abordinan Front Andrew

Abordinan Front Andrew

Abordinan Front Andrew

Abordinan Front Andrew

Barry Can Front

Barry Can Front

Constant Fro

是知识这次对意思是是通常的现在分词是通常的记书道:"是是是对外提出自然有关的作为是是有的是是不是是是不是是是是是一个是是是是一个是是是是是一种的的,我们是是一种的

24 \$\frac{1}{2}\$ FT Free Annual Reports Service

24 \$\frac{1}{2}\$ FT Free Annual Reports Service

25 \$\frac{1}{2}\$ You can obtain the current annual/interim report

26 of any company annotated with \$\frac{1}{2}\$. Please quote

27 the code FT8846. Ring D181 770 0770 (open 24

28 hours including weekends) or Fax D181 770 3822.

29 Reports will be sent the next working day,

20 subject to availability.

20 September 10 S

FT-SE-A All-Share index

1,880

1,860

Equity shares traded

Tunorer by volume aniford. Exclud

Est vol Open int

Low

TRADING VOLUME

2,900 3,002 243 7,300 2,500 4,000 1,500 1,

Closing Day's

111.6 意志

: <u>:</u>

3

LONDON STOCK EXCHANGE

MARKET REPORT

-ondon inches nearer to new closing peak

By Philip Coggan,

The London stock market once again demonstrated its recent resilience by shaking off an early decline to edge a step nearer its

all-time closing high. The day's economic data were not designed to help the equity market. The July unemployment numbers showed a bigger-thana seasonally adjusted basis, while the underlying rate of annual average earnings growth edged

up to 3.75 per cent.

as the minutes of the July 3 monetary meeting show that Mr Eddie George, the governor of the Bank of England, is strongly opposed to another reduction.

Gilts fell back on the news, dragging shares down with them and, at its worst, at 10am, the FT-SE 100 index was 10.3 points off at 3.813.1. The Tuesday night weakness on Wall Street, where expected drop of 24,000, albeit on the Dow Jones Industrial Average fell by 57 points, also weighed on sentiment.

But, for the moment, it seems hard to keep the London market Both figures would appear to down, and shares duly

12 points ahead at the close of London trading - Footsie edged into positive territory, finishing the day at 8,830.3. The all-time closing high, recorded on April 19. was 3.857.1.

The FT-SE Mid-250 index also managed a gain of 5.8 to 4.351.9. But gilts did not recover their losses, and the benchmark 10 year issue finished the day with a fall of three eighths of a point.

Mr Mark Brown, head of strategy and economics at ABN-Amro Hoare Govett, said: "Confidence was tested in July and survived and that leads to a bounce-back. reduce the justification for a fur-rebounded. When Wall Street Equity markets are being sup-

ther interest rate cut, especially opened stronger - the Dow was ported by the fall in US bond yields from 7.25 per cent to 6.75 per cent and in the UK, by liquidity; there has been around £1bn of share buy-backs over the last month."

> But Mr Brown doubts whether Footsie can break out of the top of its recent 3,650-3,850 range and is sticking to his and year forecast of 3,500.

> There was a modest sprinkling of corporate news yesterday, BICC's overall loss obscured a rebound in its cables unit - and the shares staged a modest rally - but Glynwed, the engineering group, disappointed the market and its shares were the worst

> > The vague whisper yester-

day was that rival brewer

Bass, up 11/2 to 823p, was

Courtaulds Textiles picked

up 3 to 337p, while other

stocks in the sector showed

Orange rose 1%p to 179%p

after an analysts' report

which said trading losses in

bottom out. The report from

ABN Amro Hoare Govett,

expected an interim loss of

£130m next week. However,

it said this loss should

decrease to less than £120m

to lift Pearson, the media

conglomerate which owns

the Financial Times, 7 to

675p. Credit Lyonnais Laing

set a break-up price of 872p a

share and a trading value of

759p on the stock. Break-up

valuations for Pearson have

been in vogue since Hender-

son Crosthwaite carried out

a sum-of-the-parts exercise,

which last year valued the

BSkyB added 5 at 512p on

reports that it is in joint ven-

Chemicals remained out of

company at 950p a share. Satellite broadcaster

ture talks with the BBC.

Valuation stories returned

in the second half.

the telecoms company would

about to spring a bid.

little movement.

index. The best bid story that traders could dream up was a revival of talk of an offer for Schroders. This rumour, which has been around for at least a year, was circulated again only last week. But it was sufficient to make the merchant bank's shares the strongest performers in Footsie.

Volume was once again subdued, with many dealers on their August holidays. Just 529.9m shares were traded by the 6pm count, of which 58.8 per cent was in non-FT-SE 100 index stocks. The value of retail business on Tuesday was £1.46bn.

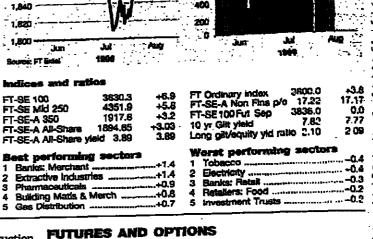
> Balfour Beatty construction arm, which turned a profit of £13m into an £8m loss for

Engineer Glynwed International shed 8 to 332p after the group's interim results came in at the bottom end of City expectations. SGST

reduced its full year estimate by £5m to £87m. Bus and rail operator Stagecoach put on 14 to 501p as rumours that the com-

round of corporate news ran round the market. Brokers pointed to possi-

ble news on the planned takeover of Swedbus, the Swedish bus group with a 30 per cent share of the national market.



■ FT-SE 100 INDEX PUTURIES (LIFFE) \$25 per full index point

Hanson toughs it out

By Peter John, Jeffrey Brown and John Diudiu

Leading conglomerate Hanson, one of this year's worst performing Footsie stocks, was wearing a brave face ahead of today's third quarter results. The shares added 21/2 to 1681/2p.

Brokers said the forecast profits range for the third quarter was wide, possibly stretching from £250m to £350m. But most analysts felt that the results would have to show an alarming deviation to have any real impact on the share price.

What matters now is the sum-of-the-parts calculations. It's hard to see any single three months of trading having much impact on these," said one leading analyst vesterday.

Cookson continued to drift lower following Tuesday's 'reduce" note from NatWest Securities. The stock came off 7 to 250p for a two-day decline of more than 6 per

Not all brokers are downhearted. Mr Martin Bomford, conglomerates analyst at UBS, remains a buyer of the stock. "We're in an information vacuum ahead of next month's interims. This always creates uncertainty",

Schroders, the largely family-owned bank, bounced to cent this year.

the top of the Footsie inspired by what one analysts described as "summer The non-voting shares rose

40 to 1040p and the ordinaries 20 to 1348p on a return of long running takeover speculation. Yesterday's boost might have been prompted by earlier rumours denied by the company concerned - that Singer & Friedlander had approached a foreign bank offering itself

News that Munich Re is to huy American Re also refocused attention on international consolidation in financial sectors and gave some dealers the chance to re-visit the possibility of Commerzbank of Germany making a play for one of the last remaining UK banking inde-

pendents. Nevertheless. Schroders has always stressed that it is very happy to remain independent. And as the family controls more than 40 per cent of the stock, shareholder loyalty is unusually

strong. Standard Chartered fell 14 to 691p in the wake of cautious comments from Goldman Sachs. The US broker has raised its profit estimates but reiterated its "market underperform*e*r recommendation.

De La Rue, the savaged bank note printer, was one of the strongest mid-cap stocks as buyers started to return to the hard-hit paper sector. However, the rise of 18 to 644p was a small plus when matched against the slide of more than 30 per

Interest rate optimism got more firmly behind the builders with the materials sector showing a number of lively gains, notably the so-called German stocks.

Redland and RMC. What the Bundesbank had to say yesterday about the fragility of the German economic recovery sparked talk of a reduction for repo rates when the bank's council

meets next week. Both RMC and Redland get more than 40 per cent of turnover from Germany. The former added 8 to 1047p while Redland bounced to the top end of the Footsie performance charts, rising 7

Builders are overtly sensitive to interest rate changes. and rekindled hopes for a dle of July, with much of the politically inspired cut in the UK underpinned the upbeat

380p, Caradon 6 to 211p and Meyer International, up 9 on Tuesday, a further 91/4 to 390½p. Housebuilder Bellway,

which is due to replace Southern Water in the FT-SE Mid 250 index, jumped 12 to 319p for a two-day advance of 6 per cent. Takeover talk resurfaced

at PizzaKxpress, driving the shares up 13 to 432p. The restaurant chain has been a highly visible bid favourite all year but yesterday's gossip was not accompanied by much physical evidence of buying. Turnover in

the stock was a nominal 53,000 shares. PizzaExpress has risen from 210p since January, and from 340p since the midrecent takeover excitement generated by Whitbread's £133m offer for Pelican, who

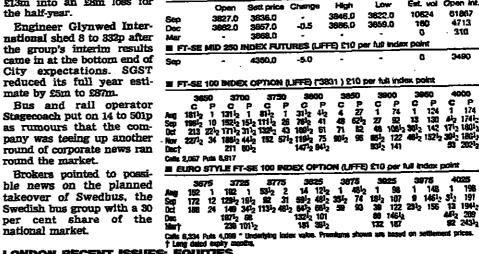
rinançıa		E3 E	QUII	T INL	ACE:	•		
	Aug 14 .	Aug 18 .	Aug 12	Aug 9	Aug 8	Yr ago	High	Low
Ordinary Share	2900.0	2796.2	2794.3	2798.3	2798,4	2611,4	2885.2	2068.8
Ord. div. yleid	4.08	4.09	4.08	4.08	4,08	4.13	4.22	3,76
P/E ratio net	16.92	16,89	16.44	16.44	16,44	15,63	17.25	15.8
P/E ratio nil	16.74	16.72	16.28	16.28	16.28	15.45	17.03	15.71
Ordinary Shere inde	x spuce co	mplintion:	high 2885.	2 19/04/58	; low 49.4	28/08/40.	Base Date	£ 17/36
Ordinary Share	hourly	change						

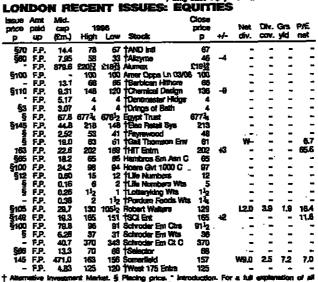
Blue Circle gained 5 to are operators of the Cafe

Open 9.00 10.00 11.00 12.00 13.00 14.00 15.00 16.00 High Low 2789.1 2794.7 2787.5 2790.2 2781.3 2792.5 2793.0 2797.4 2799.9 2801.5 2787.2

	Aug 14	Aug 18	Aug 12	Aug 9	Aug. 8	Yr ago
SEAQ bargains	27,738	29,842	30,653	30,417	30,144	22,794
Equity turnover (2m)1	-	1482.9	1015.6	1381.9	1486.2	1461.0
Equity bargains†	_	33,608	34,305	35,582	35,120	33.265
Shares traded (mitt	_	539.0	393,7	480.8	523.6	609.0
Excluding Intra-mentet	princes std	Oversees iu	MOVER.			
Aug	14 Aug 13 A	Aug 12 Au	ng 9 Aug	8 Yrago	"High	Low
ET_96 ABA 1/170	AU TUBB OUT	รกวิก คก รถ	AD AN INCH	ort .	11404	085.7

52 Week highs and low





T GOLD	MIN	ES	IND	EΧ				
		% chg on day			Gross div yield %	P/E ratio	52 v High	
kî bilkes tedez (31)	2945.83	-0.4	295LB)	1902.00	1,54	-	2520.73	1722.85
Regional Indicas								
ica (13)	2663.50	+0.6	2517,31	2634.57	3.00	37.60	2553.86	2272.74
stratesia (7)	2408.34	+1.8	2366,57	2418.41	2.38	22.55	2927.34	2123.50
db America (11)	1822.38	_1.3	1846.87	1887.38	0.73	66.11	2186.39	1488.94

	ticked up 5 to 320p in spite provision-hit six more results and broker dor grades for the full year. The group is struggling overcome weak trading in	oth vn- to its
HIH	FT-SE 100	Au 36
111	FT-SE Med 250	4
++1	FT-SE Mid 250 ex kn/ Trusts FT-SE-A 360	43 19
117	FT-SE-A 350 Higher Yield FT-SE-A 350 Lower Yield	18 20
11	FT-SE SmellCap FT-SE SmellCap ex law Trusts	212 212
11	FT-SE-A ALL-SHARE	185
	■ FT-SE Actuaries Al	
	10 hours at room a constant	Au
Į	10 MINERAL EXTRACTION(24) 12 Edractive industries(5)	358 421
	16 Oil, integrated(3) 16 Oil Eggloration & Prod(15)	367 254
	20 GEN RIDUSTRIALS(276)	202
	21 Building & Construction(34) 22 Building Matts & Merchs(29)	115
l l	23 Chemicals(25) 24 Diversified Industrials(19)	237 158
.]	25 Bectronic & Sect Equip(37) 26 Engineering(71)	230 240
Į.	27 Engineering, Vehicles(14) 28 Paper, Pokg & Printing(28)	305 267
1	29 Textiles & Apparei(19)	120
1	30 CONSUMER GOODS(81) 32 Alcoholic Beverages(8)	358 281
	33 Food Producers(24) 34 Household Goods(15)	252 255
	36 Health Care(20) 37 Pharmaceuticals(13)	200 528
	38 Tobacco(1)	393
[40 SERVICES(252) 41 Distributors(31)	253 277
	42 Laisure & Hotels(24) 43 Media(45)	318 425
	44 Retailers, Food(14) 45 Retailers, General(43)	204
the	47 Brewaries, Pubs & Rest (24) 48 Support Services(49)	312 245
	49 Transport(22)	235
j	60 UTILITIES(32) 62 Electricity(11)	235 244
Į,	64 Gas Distribution(2) 66 Telecommunications(8)	133 197
. !	68 Water(11) 69 NON-FINANCIALS(865)	224 195
rice.	70 FEMANCIALS(104)	306
Ithe [71 Banks, Retail(8) 72 Banks, Merchant(8)	437 381
4(0)	73 Insurance(22) 74 Life Assurance(9)	147 341
.com	77 Other Financial(21)	258
	79 Property(41) 80 INVESTMENT TRUSTS(126)	<u>160</u> 313
اام	89 FT-SE-A ALL-SHARE(805)	189
> 8;	FT-SE-A Fledgling FT-SE-A Fledgling ex Inv Trusts	122
ve a		124
ì	Hourly movements	
į	Open 9.00 FT-SE 100 3814.4 3821,	_
	FT-SE Mid 250 4342.3 4945.	7 4
 [-
 !	Time of FT-SE 100 Day's high: 9:21 PM	
3	# FT-SE Actuaries 35	iO 1
_ []	Open 9.00	10.0
— i i	Bidg & Costron 1147,4 1148.9 Pharmaceuticis 5156.5 5158.4	1149 5146

rades for the full year.	Horth	America (11)	1822.36	1.8 : 1.8 :	1846.87 16	37,38	2.38 0.73	66.11	2186.39	2123.50 1488,94
The group is struggling	to copy	right, The Fa	gercial Times	Limited	1996. FT	Gold M	ines Inde	x" is a to	ederner ele i 18	k of The
vercome weak trading in	its same	Values: 1000	imited. Figure 0.00 31/12/92	2. † Perte	Latest P	uces we	O TABANG	ebie for ti		ion.
FT - SE Actuaries	Share!	nclices					Tic	e UK	50	rice
I I POE ACIDARIOS	7116121	11011003					11:	e or	_UU	1303
•		May's			Year	Div.	Net	P/E Xd		
	Aug 14 d		13 Aug 1			yfeld%				Heturn
T-SE 100 T-SE Mad 250	3830.3 4351,9		3.4 3803.1 6.1 4331.1				2.08 1.68	14.76 12 22.90 12		
T-SE Mid 250 ex kny Trusts	4387.4	+0.2 438	0.2 4355.0	4357.4	3875,2	3.58	1.61	21.84 13		
T-SE-A 350 T-SE-A 350 Higher Yield	1917.6 1842.4		4.3 1905.1 10.7 1836.1				1.98	15.97 6 12.55 7		
T-SE-A 350 Lower Yield	2000.1		5.3 1981.				1,89 2,13	21.23 4		
T-SE SmallCap	2127.26		19 2122.9				1.87	23.97 4	2.92 1	1754.59
T-SE \$meliCap ex law Trusts T-SE-A ALL-SHARE	2120.12 1894.65		1.28 21 15.30 1.62 1882.91				1.75 1 .9 6	21.37 4 16.38 5		
FT-SE Actuaries Al										
		May's	13 Aug 12	Aur G	Year	Div, yleid%	Net	P/E Xd		
TO ASSESSED EXTRACTIONS									-	Return
10 MENERAL EXTRACTION(24) 12 Extractive inclusives(5)	3585.36 4218.76		1.79 3567.20 27 41 12.79				1.63 2.52	20.25 gd 13.05 t0		
15 Oil, integrated(3)	3672.22	-0.1 3875	.86 3867,6	3666.13	2867.37	3.97	1,48	21,25 10	0.98	631.24
16 Oil Exploration & Proc(15)	2541,44		LOS 2523,11			_	1.52	39.98 3		_
20 GEN RIDUSTRIALS(276) 21 Building & Construction(34)	2020.12 1156.43		.36 2009.86 1.58 1142.03				1.84 1.67	15.81 5 20.93 2		
22 Building Matts & Mercha(29)	1880.18	+0.8 1864	.87 1854.20	1852.19	1822.65	4.07	1.71	17.94 47	7.61	958.65
23 Chemicals(25) 24 Diversified Industrials(19)	2373.68 1567,01		.79 2410.56 .37 1555.11				1.63 1.69	17.99 E		
25 Electronic & Elect Equip(37)	2307.07	+0.1 2304	.76 2312.40	2303.88	2048.60	3.38	1.65	22,40 5	5.62 1	212.84
26 Engineering(71) 27 Engineering, Vehicles(14)	2455.73 3050.92		.16 2439.56 .27 3051,41				2.43 2.01	15.70 54 17.84 73	4.85 1	503.47
28 Paper, Pokg & Printing(28)	2676.66	+0.7 2658	.48 2618.50	2612.23	2996.58	3.85	1.59	16.35 6	4.49 1	124.68
29 Textiles & Apparel(19)	1260,61		1244.40				1.56	14.28 4	2.36	778.29
30 CONSUMER GOODS(81) 32 Alcoholic Bevergoes(8)	3582.50 2811.36		.25 3549 .11 .64 2805.32				1.95 1.62	16.28 11		
33 Food Producers(24)	2523.04	2522	.81 2508.16	2500.61	2582,99	4.13	1.91	17.20 9 15.89 7		
34 Household Goods(15) 36 Health Care(20)	2558.30 2006.18		.89 2559.94 .76 2007.05				215	15.01 5	9.03	988.57
37 Pharmaceuticals(13)	5281.09	+0.9 5235	.18 5193.48	5246.63	4245.04	3.20	2.18 2.07	27.00 St 18.87 15		
38 Tobacco(1)	3930.49	-0.4 3947	.43 3930.49	4311. 6 8	4337,09	6,67	2.06	9.12 26	2.07 1	012.17
40 SERVICES(252) 41 Distributors(31)	2539.50 2775.24		.80 2520.96					22.65 5		
42 Leisure & Hotels(24)	3193.89	#0.8 3185	.85 2748.85 .12 3147.87	3133.21	2485.64	2.75	1,74	22.88 51 23.64 15		
43 Media(45)	4254,68	+0.6 4231	.20 4211.46	4197.39	3270.20	2.17	1.94	29.70 50	9,65 1	545.88
44 Retaliers, Food(14) 45 Retailers, Ganeral(43)	2040.55 2105.65	+0.2 2101	.88 2022.95 .92 2096.16	2015.52 2082.00	2181,38 1783.69	3.76 2.99	2.32 2.13	14.38 48 19.61 47		
47 Brewerles, Pubs & Rest.(24)	3129.02	+0.3 3120	.08 3112.51	3117.89	2645.28	3.28	1.99	19.22 67	7.05 1	516.66
48 Support Services(49) 49 Transport(22)	2467.61 2383.62	-0.2 2473 +0.2 2379	.53 2460.25 .89 2375.62	2456.15 2379.78	1741.98 2310.30	1,90 _ 3.99	2.29 0.93	28.95 34 33.52 57	4,90 1	576,64
60 UTILITIES(32)	2336,57	+0.1 2334	.91 2338.52	2345.89	2508.63	5.49		11.69 15		
52 Electricity(11) 54 Gas Distribution(2)	2449.58 1335.62	-0.4 2459	.18 2476.62	2483.67	2593.23	6.63	2.41	7.83 40	4.44 1	312,99
56 Telecommunications(5)	1974.03		.02 1328.22 .01 1870.58			8.97 4.09	1.36 1.68	10.26 65 18.16 50		
68 Water(11)	2242.76	+0.3 2236	.26 <u>2236.11</u>	2228.60	2088.92	6.14	2.32	8.79 94		
89 NON-FINANCIALS(865)	1997,80	+0.2 1993	.18 1985,98	1989.23	1 83 6.63	3.87	1.88	17.22 6	<u> 1</u>	537.28
70 FENANCIALS(104) 71 Banks, Retail(8)	8067.44 4979.20		32 3041,67				2.41	12.07 94	1 80.3	338.01
71 Banks, Nechants) 72 Banks, Merchants)	4378,20 3618.13		.16 4335.21 .07 3561.94			4.14 2.73		11.14 14 18 20 61		
73 Insurance(22)	1471.32	-0.1 1472	.17 1459,91	1459.77	1334,54	5.69	2.34	18.28 63 9.39 49	20 1	116.38
74 Life Assurance(6) 77 Other Financial(21)	3414.77 2585,44	+0.5 3403	.22 3407.57 .83 2571.00	3402.18	2738.00			12.76 10	0,72 1	431,49
79 Property(41)	1604.11	-0.1 1 60 5	.63 25/1.00 .16 <u>1598.71</u>	2000.20 1584.88	2102.51 1464.85	4.08 3.98	1.79 1.25	17.07 65 25.23 40	1 48 c	487,95
80 INVESTMENT TRUSTS(126)	3135.26	-0.2 3140	20 3131.88	8131.11	2936.64	2.28	1.11	49.80 47	7.71 1	101 62
9 FT-SE-A ALL-SHARE(805)	1894.65	+0.2 1891	62 1882.95	1884.86	1708.94	3.89	1.96	16.38 59	130 1	822 47
T-SE-A Fledgling	1226.89	1998	74 1998 00	1994 95	1048 47	290	2 22	1000	-70 -	
F-SE-A Fledgling ex inv Trusts	1240.34	1239	.90 1239.82	1287.72	1039.56	3.00	2.50	16.68 2	155 1	305.57
Hourly movements				-						
Open 9,00	10.00	11 00	10.00		4462	, 20 44				
		11.00	12.00		14.00	15.00		High/o		W/day
F-SE 100 3814.4 3821.9 F-SE MRG 250 4342.3 4945.7	# 3613.1 # 4345.5	3616.1 . 4349.7	3818.5 36 4346 2 41	317.8 3	817.5 :	3826.3		3837.	7 39	313,1
-SE-A 350 1910.4 1913.	1910.2	1911.4	1912.4 1	712.7 1	912.1	1915.8	1917.5	4352 1917	.U 44 9 10	341 .8 310 1
•										-10.1
ne of FT-SE 100 Day's high: 9:21 PM				High: 388	7.1 (19/0	4/98) Lor	c 2954.2	(23/01/96) .	
FT-SE Actuaries 35	0 Inde	stry ba	skets					,		
· · · · · · · · · · · · · · · · · · ·		.00 12.0		14.00	15 Ar	18 4s		- D		
dg & Costron 1147.4 1149.9						10.10		Previ		
HEIREGUIUM 0130.3 0156.4	51489 5 1	80 A 5163	9 61429	5150 2	F2013 1	EDO0 (E Ends			+7.6
ana ===:(\(\mathrea{\pi}\) ===(\(\mathrea{\pi}\) ===(\\mathrea{\pi}\) ==(\\mathrea{\pi}\) ===(\\mathrea{\pi}\) ===(\\mathrea{\pi}\) ==(\\mathrea{\pi}\) ==(\\mathr	2218.3 22	20.8 2219	7 2220.2	2221.5	2225.3	2230.	2 2230	0100 .7 222	4.1	+46.2 +6.8
anks, Retail 4440.0 4433.7	4409.9 44	17.2 4419	.\$ 4414.7	4415.6	4428.3	4437.	6 4434	.1 444	5.2	-12.1
citional information on the FT-SE	Actuaries S	hare indice	باعتاری وا	ed in Seh	urday lee					
- CT OF A-4										

favour, with HSBC James Capel reminding investors of its negative stance on ICI and British Vita. ICI was down 3 at 792p, Vita eased to 201p and Courtaulds fell 4 to 437p.
The results gush slowed to a trickle vesterday with the Footsie unrepresented. Where there were numbers to be crunched, they mostly supplied mixed news. sed on Equity shares listed on the London Share Service. Electrical cable and construction group BICC, which stood at 360p in mid-April,

Fed up with fishing for business information? FT Discovery. The instant way to hook information you need. Do you waste time searching for the right Online. At your desk. At a fixed pr So if you want to stop fishing, call information? There is a solution - FT FT Discovery information line on +4 Discovery. For company information, 171 825 8000, email: ftdiscovery@ft. business news, real time news and much more. It couldn't be easier. Simple to use. or fill in the coupon. Yes, I would like to stop fishing for business information. Please ha representative call me to discuss my requirements. FINANCIAL TIMES ADDRES8 POSITION POSTCODE OFFICE PHONE NUMBER NATURE OF COMPANY'S BUSINESS Phone PT Discovery information line on +44 (0) 171 825 8000 or email: T Discovery Itdiscovery@ft.com or post to FT Discovery, Financial Times Information, Fitzroy House, 13-17 Epworth Street, London, EC2A 4DL.

Change on day +3 +1 -40 +7

Stocks Traded 3.6m 3.0m 2.8m 2.6m 2.5m

Nippon Com Sys ...
Fujitsu
Daido Sti Sheet
Kawasaid Hvy ind ..
Sumitomo Mti ind ..

Citange on day +40 +11 -80 +11 +7

Stocks Traded 16.7m 11.7m 4.9m 4.8m 3.8m

E ...

Low Est. vol.Open int.

1978.0 5.584 24.972 Jul 1522.00 1534.00 +8.00 1535.08 1521.00 3.271 16,417 1985.5 601 21,349 Aug 1531.00 1542.00 +8.00 1542.00 1528.60 1,883 5,412 18 50FFEX

37 1 ASA :

NEW YORK STOCK EXCHANGE PRICES

| Type | 1949 1844 1949 1844 5249 53 3949 3949 454 4578 1279 1279 1779 1772 46 4678 979 979 979 | September | Color |

1986
High Low Sinck
30% 27% CLCIdat
78% 45% Cultur
67% 34% Cultur
67% 34% Cultur
12 10% Current in
12 10% Current in
17% 10% Current
17% 10% Current
17% 10% Current
17% 10% Current
19% C 281 215 EPL Hookig x 130 5.5 14 657 231, 231, 231, 231, 232 170 Damin Servi x 0.12 0.7 12 246 141, 174, 18 365 271, 0 Damin x 0.00 0.22 1.3 271 413, 41 413, 41 413, 41 473, 232 232 0 Damin x 0.00 0.22 1.2 271 413, 41 413, 41 413, 41 473, 232 232 0 Damin x 0.00 0.00 0.2 12 271 413, 41 413, 41 413, 41 473, 42 0 Damin x 0.00 0.00 0.2 12 271 413, 41 41

- ### -

9½ 80 HM Cp 11 355 7½
25 18½ Ouknois 10 00 02 13 394 24½
25 18½ Ouknois 10 00 02 13 394 24½
25 18½ Ouknois 10 00 02 13 394 24½
25½ 12½ Ouknois 10 00 02 13 394 24½
25½ 12½ Ouknois 10 00 43 18 696 27½
25½ 12½ Ouknois 10 07 2 9 1301 30½
26½ 25½ Ouknois 12 26 85 72 7851 18½
26½ 25½ Ouknois 12 26 85 12 345 30½
26½ 35½ Ouknois 12 26 85 12 345 30½
26½ 35½ Ouknois 12 26 85 12 345 30½
35½ 35½ Ouknois 12 26 85 12 345 30½
35½ 35½ Ouknois 12 26 85 12 345 30½
35½ 35½ Ouknois 12 26 85 12 345 35 31 35½
35½ 35½ Ouknois 12 25 35½ 35½
16½ 35½ Ouknois 12 25 35½
16½ 35½ Ouknois 12 25 35½
16½ 35½ Ouknois 12 25 35½
15½ 15½ Ouknois 12 25 35½
15½ 15½ Ouknois 12 26 26 82 26 ½
15½ 15½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 33 15½
25½ 16½ Ouknois 12 26 26 83 26 26

のでは、 のでは、

中部有中本海土 生工

American State of the Control of the

41½ 34½ 902

B) 5½ Birmon

35% 22½ Bakeri Fort

35% 22½ Bakeri Fort

35% 22½ Bakeri Fort

35% 25½ Bakeri Fort

35% 25½ Bakeri Fort

35% 25½ Bakeri Fort

35% 25½ Bakeri Fort

35% 25% Bakeri Fort

35% 35% Bakeri Fort

35% 去 上海南南南南北北南南南北 五南南北 五安城之北南 北北 山北南 BE GUEST.

22 15-7g August x 9°g 8°d Austria Fd 43°d 85°d Autoria Fd 43°d 85°d Autoria 18°d 11°d America 18°d 11°d America 18°d 36°d America 48°d 36°d America 17°d 12°d Autoria 17°d Autoria 17°d Autoria

- B -

JOLLY J HOTEL DU GRAND SABLON BRUSSELS

When you stay with us in BRUSSELS stay in touch - our complimentary copy of the



FINANCIAL TIMES

经的特别的证据 化水杨 经水场的经济 化 马格特特 人名英格特人名英格特人名 地名 化石 经与处理的经历与与通信 计处理器 海 21-2 FM Interest
16 130-2 T FM Interest
16 130-2 T FM Interest
18 33-5 FM FM FM FM
19 33-6 FM FM FM
23-6 FM FM FM
23-6 FM FM FM
23-7 FM FM FM
19 33-6 FM FM FM
19 34-6 FM FM FM
19 34-6 FM FM FM
19 34-6 FM
19 34-6

4

44 32 Etauda 25 18½ Estarline 13 8½ Ethyl 14½ 12½ Europe Fd 16½ 15 Escalator 36½ 29.80 Euel 90½ 775g Econo x

4444

- Q -

0.25 2.1 18 9529 41 30½ 40% +
0.12 0.5 30 765 25% 25½ 25%,
24 3258 25½ 27% 27%,
7.00 7.3 7.100 95% 95% 95% 95%
0.20 1.016 1126 20 13% 19%
1.90 6.9 16 3215 25% 25% 25% 25%
1.10 73.3 2 2 240 25% 25% 25% 25%
0.20 0.8 12 1161 24% 24% 24% 25%
1.18 43 66 1358 27% 27% 27% 27%
1.034 45% 40 45% 40
0.50 5.6 13 1072 4% 21% 22%,
0.50 5.6 13 1072 4% 13% 24%
0.50 5.6 13 1072 4% 13% 24%
1.14 45 47 2 15% 15% 15% 15%
1.15 47 9 1778 34% 34% 34% 34% 15%
1.16 3.9 1512179 81% 80% 80% 48% 4412 J. Rher FF 63 45% J. Rher L. 13% 9% Jackpot in 13% 9% Jackpot in 10% 7% Jackpot in 10 7% Jackpot in 10 7% Jackpot in 10 78% Jackpo

ئا ئويلىئىدى بى ئىد ئىدى ئۇلۇلۇلىدىلىدىدىدى ئا ئولاد

- K -

614, Middel
614, Minger Ree
155, Michilian
177 Michilian
177 Michilian
178, Minger
179, Minger
1

-3 -3 -4 +1 ام. بار بار 15% 11% S.Arian Rr
71% 51% 55% 55%
11% 6 Section Pit x
47% 21% Salesy 65%
13% 15% Salesy 65%
15% 15% 44 马大连络 经经代本的专业的工作的

- 5 -

25%, 22%, RLI Corp
11%, 50% ROCCHIMMEN
25%, 19 Releases
69 55 Reside
69 55 Reside
69 55 Reside
69 55 Reside
60 55 Reside
60 55 Reside
60 56 Reside
60 56 Reside
60 56 Reside
60 56 Reside
60 60 Reside
60 Resi

- R -

22 18²g Publishor
2²g 11²g Publishor
26 22²g PugetS
60²g 44²g Publish
60²g 44²g Publish
60²g 49²g Publish
61²g Publish
61²g Publish
61²g Publish
61²g Publish
62²g Publish
63²g Publish
63²g Publish
63²g 7²g Counter
63²g 30²g 30

Have y And the Control The August State Marks deliver WHEN PARTY P

حكنا من الاحل

- 3

'n ç

حكنا من الاحل

FINANCIAL TIMES THURSDAY AUGUST 15 1996 *					27
4 pm closs August 14 NYSE PRICES 1908 1908 1908 1908 1908 1908 1908 190			ASDAQ NATIO	ONAL MARK	4 pm close August
Continued from previous page 20-b 17 Solf	1986	Stanck Div. E 1900 Bigh Lew Lest Camp ACC Corp 0.12337 517 #4012 394, 4012 +14 ACC ACC ACC ACC ACC ACC ACC ACC ACC AC	Descript	Lanoptecs 8 131 634	Rolleys 0 512 27g 25g 25g
10 600 92 94 93 14 36 18 18 18 18 18 18 18 18 18 18 18 18 18	- WF - 201-5 18-5 was but 21 259 2176 21 2175 -1-2 202-5 18-7 was but 21 259 2176 21 2175 -1-2 202-5 18-7 was but 21 259 2176 21 2175 -1-2 202-7 was but	Alters Co Am Bankar Co Am Bankar Co Am Bankar Co 1816700 44 42½ 43¾ 44¼ Am Christo 0.16 2 270 7½ 7½ 4¼ 4¼ 4½ Am Christo 0.30 575 24½ 23½ 23½ 24½ ½ Am Sarban 0.30 575 24½ 23½ 23½ 24½ ½ Am Sarban 0.32 11 1960 5¼ 4¼ 5¼ 5¼ Am Frayer 151 117 105½ 10¼ 105½ 105½ Am Frayer 151 117 105½ 10¼ 105½ 1½ Am Hard 2 867 ½ 6½ 1½ 1½ Am Hard 2 867 ½ 6½ 1½ 1½ Am Tray 14 5056 267½ 26¼ 26½ Am Tray 14 5056 267½ 26¼ 26½ Am Tray 14 5056 267½ 5½ 5½ 5½ 5½ Am Am Christo 17 666 11 25½ 12 12½ 1½ Am Tray 14 5056 267½ 26¼ 26½ Am Jray 14 5056 267½ 25½ 26½ 26½ Am Amacho 12 000 46 752 7¾ 7½ Am Am Co 17 66 52 8¾ 65 8¾ 1½ Am Amacho 0.07 6 6 52 8¾ 65 8¾ 1½ Am Am Co 17 66 52 8¾ 65 8¾ 1½ Am Am Co 17 66 52 8¾ 65 8¾ 1½ Am Am Co 17 66 52 8¾ 65 8¾ 1½ Am Am Co 17 66 52 8¾ 65 8¾ 1½ Am Am Co 17 66 52 8¾ 65 8¾ 1½ Am Co 17 66 52 8¾ 65 8¾ 1½ Am Co 18 65 19¾ 1½ 10½ 1½ 1% Am Am Co 18 65 19¾ 19½ 19½ 1½ 1% Am Co 18 65 19¾ 19½ 19½ 1½ 1% Am Co 18 65 19¾ 19½ 19½ 1½ 1% Am Co 18 65 19¾ 19½ 19½ 1½ 1% Am Co 18 65 19¾ 19½ 19½ 1½ 1% Am Co 18 65 19¾ 19½ 19½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 1% Am Co 18 65 19¾ 19½ 10½ 1½ 18 65 19¾ 19½ 10½ 1½ 18 65 10½ 11½ 1½ 18 65 19¾ 19½ 10½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 11½ 1½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 11½ 11½ 18 65 10½ 11½ 1½ 18 65 10½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 11½ 18 65 10½ 11½ 11½ 18 65 10½ 11½ 1	ECT Tel 0.05 15 5144 193, 19 193, 12 193, 12 193, 12 193, 12 193, 12 193, 13 193, 17 1	Meal Box 0.01 25 637 201g 195g 19%g Marcam Cu 2 282 1112 11 11 11 14 11 11 11 11 11 11 11 11 11 11 11 11 11 11 11 11 11 12 11 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 11 14 11 2 12 2 12 2 12 2 12 2 12 2 12 2	- S = Salecto 1 16 9 3399 34 327g 337g + Salectitis 41 2100 387g 387g 447g + Salectitis 52 10 2089 137g 437g 447g + Salectitis 52 10 2089 137g 437g 137g 137g - Salectitis 52 10 2089 137g 437g 437g + Salectitis 61 20 25 7 337g 337g 337g 337g - Salectitis 61 20 25 7 337g 337g 337g 337g - Salectitis 61 20 25 7 337g 337g 337g 337g 337g 337g 337g - Salectitis 61 20 25 7 337g 337g 337g 337g 337g 337g 337g 3
44 34 Sparton CD 0.22 12.0 4 2100 4 4 4 4 4 1200 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	18 18 18 18 18 18 18 18	Amoid la x 0.44 14 321 14\(^14\), 13\(^2\), 14\(^2\), -\(^16\), Arisott 8 994 8 7\(^12\), 8 1-\(Fail Grp 15 110 676 656 634 -14 Fart Cro 0.24 10 23 1334 1234 1234 Fastened 0.02 53 675 43 62 43 +1 FRP Ind 4016548 0364 3512 3614 +56 FRITTAT 1.04 17 1002 5314 53 5314 -12 FRITTAT 1.04 17 1002 5314 53 5314 -12 FRITTAT 1.04 17 1002 5314 53 5314 -12 FRITTAT 1.05 17 1002 5314 53 5314 -14 FRISTAM X 1.24 11 902 4412 4414 4413 +14 FRISTAM X 1.24 11 902 4412 4414 4413 +14 FRITTAM X 1.24 11 902 4412 2414 4413 +14 FRITTAM X 1.24 11 902 4412 2414 3413 -14 FRITTAM X 1.24 11 902 4412 2414 3413 -14 FRITTAM X 1.24 11 902 4412 3414 3413 -14 FRITTAM X 1.24 11 902 4412 3414 3413 -14 FRITTAM X 1.24 11 902 4412 3414 3413 -14 FRITTAM X 1.24 11 902 4412 3414 3413 -14 FRITTAM 1.05 13 1338 33 3212 3214 -14 FRITTAM 1.05 13 1238 34 3412 3414 3414 FRITTAM 1.05 13 12 179 98 14 18 14 FRITTAM 1.18 11 0 799 814 81 814 11 FRITTAM 1.18 11 679 2614 28 2659 +14 FRITTAM 1.18 11 679 2	Memor Cp 0,10 27 196 267g 263g 2	### Salem#Ep
315 324 Sindst 0.68 1.9 17 1579 3719 3814 3814 41 11 11 10 10 10 10 10 10 10 10 10 10 10	- X - Y - Z - Sig 39% Xerox 1.16 2.1 48 6018 54% 53% 54% 42% 42% 13% 54% 53% 54% 42% 42% 42% 42% 42% 42% 42% 42% 42% 4	Bay View 0.60 57 477 us7 364, 3612 +12 EE Aero	6 III App 19 7 2³n 2³n 2³n 2³n 6 1	Netwik Gen 29 2548 19 ¹ 4 18 18 ¹ 2 Neurogen 48 1208 20 ³ 6 19 ³ 4 20 New image 1 130 1 ⁷ 6 1 ³ 4 1 ³ 4 Nordgeldet 25 94 46 ¹ 4 45 ¹ 4 45 ³ 4 Newprt Cp 0.094 17 38 8 ⁵ 6 8 ³ 4 8 ³ 4	Sutton Rs
24, 2 TODes Serg 1.12 4.7 14 484 24 234 234 24 234 234 234 234 234 234	Stock Div. E 100s High Low Close Class 17 1 ₃ MVR 7 138 10 ¹ ₂ 10 ¹ ₃ 10 ¹ ₂ 1- ¹ ₈ 6 ¹ ₁₆ 1 ₃ Pegasas 6 0 10113 700 11 ¹ ₂ 11 ¹ ₃ 11 ³ ₄ 1 ₄ Penni 0.80 1 11 10 ⁵ ₃ 10 ³ ₄ 1 ₈ Petrony 6 0.33 13 99 41 ⁵ ₄ 41 ⁵ ₅ 1 1 10 ⁵ ₃ 10 ³ ₄ 1 10 ⁵ ₃ 10 ³ ₄ 1 1 10 ⁵ ₄ 1 1 1 10 ⁵ ₄ 1 1 10 ⁵ ₄ 1 1 1 1 1 1 1 1 1	Bulleters	HorsehRes 0.44 14 3 534 534 534	Ndestrm	Teleson Cp
Assection 28 98 1234 1272 1275 +14 Ampai-Anna 55 632 5 414 5 +14 Assistant 20 8 8 20 1835 1834 1834 1834 Assistant 20 8 8 20 1835 1834 1834 1834 Assistant 20 8 8 20 1835 1834 1834 1334 Assistant 20 8 8 20 1835 1834 1834 1334 Assistant 20 8 8 20 1835 1834 1834 1334 Assistant 20 8 8 20 1835 1834 1834 1334 Assistant 20 8 8 20 1835 1834 1834 1334 Bast 13 20 17 2	7.6 + 7.6 15.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.4 16.5 - 1.5 1	Christ Spr 7 225 19 #16 16 -2 Chandler 13 3 63 63 63 64 64 44 64 Chanter 1 x 0.92 32 2525 37 3 36 4 37 4 4 4 4 Christ 1 x 0.92 32 2525 37 3 36 4 37 4 4 4 4 Christ 1 x 0.92 32 2525 37 3 36 4 37 4 4 4 4 Christ 1 5 49 13 79 13 12 4 12 2 -2 Chemposer 0.72 14 24 44 44 44 44 Chipset 8 4193 103 97 103 -2 Chunn Cp 3016521 182 177 187 4 -2 Chunn Cp 3016521 182 177 187 4 4 1 Chron Fin 148 14 115 57 4 56 2 56 4 51 2 -1 Chron 57 1924 187 175 173 4 1 1 Chron 57 1924 187 175 173 4 1 1 Chron 57 1924 187 175 173 4 1 1 Chron 57 1924 187 175 173 4 1 1 Chron 67 18 18 18 13 33 31 30 30 2 30 2 1 1 Christ Cp 16 13 333 31 30 2 30 2 1 1 Christ Cr 16 23 25 2 28 2 28 2 29 2 1 1 Chron 16 23 25 2 28 2 28 2 29 2 1 1 Chron 17 18 28 28 28 28 28 29 2 2 1 1 Chron 18 2 38 31 30 30 30 30 2 1 1 Chron 18 2 38 31 30 30 30 30 2 1 1 Chron 18 23 25 25 28 28 29 2 2 1 1 Chron 18 2 38 33 31 30 30 30 2 1 1 Chron 18 2 38 33 31 30 30 30 2 1 1 Chron 18 23 25 25 28 28 29 29 2 1 1 Chron 18 28 28 28 28 28 28 28 29 2 2 1 1 Chron 18 28 28 28 28 28 28 28 28 28 28 28 28 28	## Sys	One Prices 57 192 4½ 4 5 1 184 175 175 25½ 4½ <	- U - Indian 12442 113 156 114 United St 0.40 14 13 2212 2112 2212 United St 0.40 14 13 2212 113 2313 1314 12 US Energy 0.12 15 5050 03712 37 3714 146 US Servis 6 57 456 415 418 1816 1318 US Energy 50 44 1914 1856 1918 13 US Toop 0.28 12 264 1575 1512 1512 14 UNITED 7 199 353 353 314 1314 UNITED 7 199 353 353 314 1314 Venture Cell 87 2018 1956 1914 1956 114 Venture Cell 87 2018 1956 1914 1956 114 Venture 4 849 1378 1378 1315 1315
Computer: 27 20 21 22 22 23 24 Heath Ch 29 72 11 21 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	1012 +14 Xyttorea 3 143 113 176 113 -14	CreatTech 20 2319 3½ c3½ 3½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½	Integrate	Penn Triy 12 464 2014 1914 1914 1914 Penn Virg 7.80 13 127 36 35% 354 545 4 Pentas # 0.50 17 50 283 273 285 4 54 4 Pentas # 0.50 17 50 283 273 285 4 54 4 Pentas # 0.50 17 50 283 273 285 4 54 5 4 Pentas # 0.50 17 50 283 273 285 4 54 5 4 Pentas # 0.80 17 438 224 4 22 22 Penoplas # 0.80 17 438 224 4 22 22 Penoplas # 0.80 11 438 224 4 22 22 Penoplas # 0.80 11 438 224 4 22 22 22 Penoplas # 0.80 11 438 224 4 22 22 22 Penoplas # 0.80 11 438 224 4 22 22 22 Penoplas # 0.80 11 438 224 4 22 22 22 Penoplas # 0.80 11 438 224 224 22 22 22 22 22 235 231 2 41 Pentas # 0.80 21 22 31 2 31 2 41 2 41 2 41 2 41 2 41	Verticne 32 28 47 46 46 46 46 46 46 46
Gain the edge over your competitors by having the Financial Time office every working day. Hand delivery services are available for all in the business centre of Warsaw. Please call +48 2 644 5522 for manifold Times. World Business Newspaper.	subscribers who work or live ore information.	-D - DSC Cm 28 8910 32 31½ 315% +½ Dart Grou 2.13 10 33 52½ 60 92½ DataBas: 4 2273 5½ 4½ 5½ +1 Datasasope 16 51 18½ 17½ 18½ +½ Datasasope 12 52 28½ 28½ 5½ DataBas: 4 22 28½ 5½ 5½ DataBas: 28 28 12 5½ 5½ DataBas: 28 28 174 31¾ 30½ 30½ 1½ Datasaspe 20 44 41 85 22½ 22 22½ +¼ DataBas: 4 27828518 5 5½ 51 44 Datasaspe 20 44 41 85 22½ 52 51 41	K Sweet 0.06 30 385 10 ³ a 10 ³ a 10 ³ a 10 ³ a 4 ³ a Kannan Cp 044 12 146 10 ⁵ a 10 ³ a 10 ³ a 1 ³ a 1 ³ a Kannan Cp 044 12 146 10 ⁵ a 10 ³ a 2 ³ a ² a 1 ³ a Kannan 1022 14 42 32 ³ a 32 32 ³ a 14 42 32 ³ a 32 32 ³ a 14 42 32 ³ a 32 32 ³ a 14 42 32 ³ a 32 ³ a 2 ³	Durantum 7 6416 14 13Å; 137 _{6 1} 7. Durantum 11 1961 19Å- 19Å- 10Å- 10Å	WPP ADR 0.16 23 103 u352 35 35 35 Wyman-500 0 40 35 217 182 183 181 2 - X - Y - Z - Mina 2310216 374 355 171 2 .72

technology sector

US shares were mostly flat to modestly lower in midsession, in spite of optimism in some parts of the technology sector, writes Lisa Bransten in New York.

At 1 pm the Dow Jones Industrial Average was off 9.25 at 5.638.03, the more broadly based Standard & Poor's 500 lost 1.14 at 659.06, and the American Stock Exchange composite was 0.23 weaker at 549.56. NYSE volume came in at 197m A strong earnings report

from Dell Computer helped the sagging technology sector gain some ground. The Nasdaq composite, which is about 40 per cent technology shares, added 4.17 at 1,130.32 and the Pacific Stock Exchange technology index was 0.6 per cent stronger. Dell rose \$3% or 7 per cent

at \$60% after announcing late on Tuesday that second quarter earnings rose 58 per cent to \$1.05 per share, well ahead of the consensus foreother computer makers,

at \$58% and IBM \$1 at \$110%. Some high-flying Internet companies, however, lost ground. Cybercash slipped \$2 to \$31% and Netscape Com-

munications lost \$1 at \$39.

Several retailers gained ground after Tuesday's stronger-than-expected report of retail sales in July. Sears. Roebuck rose \$1% at \$45, Wal-Mart was \$1/4 stronger at \$26% and Toys 'R Us climbed \$114 at \$2814.

Merger and acquisition news moved several shares. American Re jumped \$4% or per cent at \$62% on news that Munich Re had agreed to buy the company for about \$3.3bn or \$65 a share. Ralcorp Holdings added \$2% or 10 per cent at \$221/4 after General Mills said it would buy several brand-name cereal lines from the company. Shares in General Mills slipped \$% at \$55 on

Canada

down \$1.40 to \$391.80 at midcast of 91 cents. Among day; the sector index headed finalised with Russia to join briskly south, with a fall of its diamond cartel, the Cen-Gateway 2000 rose \$2 at 1.7 per cent in midsession; tral Selling Organisation.

was 6.45 lower at noon, at 5.041.79, with volume relatively flat at 28.4m shares.

Arequipa Resources, subject of a takeover bid by Barrick Gold, said that it was continuing to examine assay results from its Pierina gold exploration project in Peru, and that the board was not yet prepared to make a recommendation on Barrick's C\$27 a share offer. Arequipa rose another 20 cent after this, to C\$28.90.

SOUTH AFRICA

Pressure on the rand and a heavy fall in De Beers contributed to an uncertain trading environment in Johannesburg. The currency slid to a three and a half month low against the dollar as hopes for a rise in interest rates receded. The overall index feli 70.4 to 6,621.4, industrials shed 66.4 to 7,855.7 and the gold index declined 20.7 to 1.782.4.

De Beers fell R3.50 or 3 per Toronto saw Comex gold cent to R131.50 on worries that a contract had yet to be

Dell Computer lifts Dollar helps stabilise quiet bourses

A stronger dollar offset and Ciba which rose by Tuesday's Wall Street losses but FRANKFURT stayed quiet, toying with a number of situations as the Dax to 3,650.7. \$31%. Compaq computer \$1% the TSE 300 composite index index eased 1.04 to an ibis-indicated 2544.61 in turnover

> DM1bn lower at DM5.9bn. At Merrill Lynch, Mr Steve Reitman liked the long term prospects of BMW, and the carmaker recovered DM9 to DM843 after Tuesday's DM8 fall on more bearish comments from Mr John Lawson, of Salomon Brothers.

In chemicals, Hoechst reported higher than expected profits, and forecast a 30 per cent pre-tax gain for the whole of this year, a fall in the shares, 31 pfg to DM51.10, was put down to profit-taking. Something similar seemed

to be happening at Munich Re, after the world's largest reinsurance group signalled market with the \$3.3bn acquisition of American Re. The German company's registered shares fell DM41.50 to DM3.541: but that still left them up over 30 per cent since the end of May, celebrating their pending inclusion in the Dax 30, which was virtually unchanged

over the same period. ZURICH was lifted by the dollar, and the implied improvement in prospects for exporters like Sandoz goods were sold through

SFT23 to SFT1,414, and SFT26 to SFr1,497 respectively, as the SMI index advanced 20.5

Headline financials were relatively mixed. Swiss Re. which had been seen as a possible buyer for American Re, rose SFr19 to SFr1,268 after the Munich Re deal merged; but SBC fell SFr2.75 to SFr236, hit by profit-taking even after a 35 per cent jump in half year net profits.

AMSTERDAM was interested in Ahold, the retailer. for the second day running, following its announcement on Tuesday that it was to expand in the fast growing Asia market by forming a joint venture in Thailand. The shares rose 90 cents to F187 as the AEX index put on 0.17 to 549.45.

The expansion news was greeted enthusiastically by many brokers. Robeco upgraded its recommendation from "neutral" to "buy". with eps of Fl 4.55 in 1996 rising to Fl 5.07 in 1997. Others noted that the deal with the privately-operated Central Group made Ahold the leading western supermarket chain investing in the Asian region. It was observed that the growth potential in Thailand was enormous: in the Netherlands, for instance, some 70 per cent of food

bit game machines launched

The withdrawal of a coali-

tion party from the Thai gov-

ernment threw its survival

FT-SE Actuaries Share Indices THE EUROPEAN SERIES Open 10.30 11.00 12.00 13.00 14.00 15.00 Close FT-SE Eurotrack 100 1638.00 1637.90 1637.46 1639.33 1639.03 1639.29 1639.35 1639.52 FT-SE Eurotrack 200 1701.67 1701.63 1700.67 1701.54 1700.84 1701.48 1702.94 1704.40

1637.89 1700,34 1637.82 1633.83 1701.88 1696.75 FT-SE Eurotrack 100 FT-SE Eurotrack 200

supermarket whereas in Thailand that fig- to FFr219 on good first half ure was 15 per cent.

Elsewhere activity was subdued, with ABN Amro, which puts out first half results today, off 50 cents at FI 98.30. Analysts' forecasts ranged between Fl 1.47bn and Fl 1.52bn, compared with Fl 1.24bn in the same 1995

period.
PARIS moved quietly into a four day break with the exception of Générale des Eaux which fell FFr17 or 3.3 per cent to FFr500 on reports, denied by the company, that it had issued a profits warning.
The CAC-40 index eased

1.05 to 1.979.5265, with turnover less than FFr2bn. Sales figures came from

Lyonnaise des Eaux, down FFr4 or 1 per cent to drugs and biotechnology FFr452.4 after reporting a slight increase on the 1995 period, while Seita, the tobacco company which was in the news earlier this week, went in the other dirc-

chains, tion, up FFr5 or 2.3 per cent

STOCKHOLM recovered from initial losses after Wall Street came in higher, and the Affäsrvärlden General index closed 0.2 higher at 1,975.8 in light turnover of SKr2bn

The car safety equipment manufacturer, Autoliv, was the star of the day, rising SKr7 to SKr208; its half year profits were slightly higher than expected, but the company also said that it expected to increase its share of the world's car airbag market to nearly 20 per cent by the year 2000, against the COPENHAGEN closed at a

new all-time high, the KFX rising 0.26 to 118.61 after the group, Novo Nordisk, produced better than expected first half results. Novo rose DKr24 to

DKr872. Also in focus was the Bang & Olufsen,

SHENZHEN remained vol-

atile as rumours persisted

that the regulatory authori-

ties in Beijing planned to

ban mainland Chinese inves-

In spite of a denial by an official earlier this week, the

B index eased 1.37 or 1.5 per

cent to 87.82, in turnover of

HK\$32.1m compared with

SHANGHAI's domestic

investors continued to take

profits in B shares in case

the authorities did impose

trading restrictions. The B

TAIPEI heard uncon-

firmed reports that Morgan

Stanley had issued warrants

index slipped 0.36 to 52.49.

Tuesday's HK\$60.5m.

tors from buying B shares.

upmarket audio, video and television manufacturer: B&O undershot its growth targets for 1995-96 with an 8 per cent rise in profits, but stayed optimistic for the current year; the shares rose DKr5 to DKr200.

HELSINKI underperformed as Nokia A wobbled downwards again, FM3.30 lower at FM175.60, and forestry stocks fell 1.4 per cent on profit-taking and worrles over higher pulp inventories. The Hex index closed 15.78 lower at 2,070.63.

MILAN liked Stet in early trade after a local newspaper reported that the govern-ment had decided to sell the utility in one bloc in February 1997. However, the report was denied and the shares, after a high of L4,785, closed L27 lower at L4,667. The Comit index eased 0.83 to 600.19 and the Mibtel was up 9 at 9,574.

TEL AVIV anticipated relatively low consumer price inflation for July, and the Mishtanim index recovered 1.93 to 175.01.

ISTANBUL retreated 1.6 per cent as investors took profits at the end of the interim corporate results season. The composite index lost 1,050.78 to 62,440.94 in turnover of TL6,200bn.

Written and edited by William

shares, and the weighted

index rose 48.77 to 6,373.98 in

Financials gained almost 2

per cent as a sector, with

Chang Hwa Bank rising T\$5

SEOUL's enthusiasms

were short term, and vulner-

able, as the composite index

fell 7.59 to 825.84. An Asia

Cement bid for Dae Ryung a

satellite receiver maker, ini-

tially lifted both stocks but

the bidder ended just

Won100 up at Won32,000,

after Won33,800, and the tar-

get Won1,900 lower at

Won43,900 after Won48,300.

or 8.2 per cent to T\$162.

turnover of T\$33.25bn.

Buenos Aires regains calm

503.326.91

1,194.59 1,144.55

336.05

387.27 295.52

1.167.57

138.36 203.25

Gross Dtv. Yield

AIRES as investors reflected on Tuesday's 5 per cent decline. The Merval index

Some brokers said that the market's tumble during the course of the previous session, after the government had published its new eco-

Market

Argentina Brazil

Colombia¹

China⁴ South Korea⁴

Philippines

Indonesia⁴

Sri Lanka'

Greece Hungary' Jordan

South Africa

Hong Kong (59)

Netherland (19).... New Zealand (15)

Spain (37) .

USA (B25) ...

Pacific Ex. Jopan (399) ... World Ex. US (1785)......

The World Index (2420)......209.91

Euro/Mid East

Mexico Peru²

Chile

Latin America

bly overdone. Analysts yesterday criticised the government for an was up 0.03 at 500.43 by mid-absence of public sector spending cuts, although there was speculation that such measures were being

MEXICO CITY lost opening gains and by midday the

EMERGING MARKETS: IFC WEEKLY INVESTABLE PRICE INDICES

% Change % Chai

-2.5 -0.5 -0.5 +2.1 +2.2 +1.9

The Indonesian government said yesterday that it would allow companies to revalue their assets in an effort to boost the stock market. The measure is seen as an attempt to encourage more companies to seek a listing. The stock market has been affected since riots struck Jakarta on July 27, and there have been fears that political turmoil may continue for some time. The government said that companies would be allowed to revalue assets with immediate effect, and that the gains would be taxed at 10 per cent. The composite index fell 1.61 to 535.90 yesterday, bringing its loss since reaching a year's high at the end of April to 15 per cent in local currency terms.

The Bombay stock exchange is to revamp the 30 share index, replacing half the companies listed, with effect from August 19. The regulatory authorities said that the readjustment was being made to reflect a broader percentage of market capitalisation. An official said that the new index would represent 33.3 per cent of the total market capitalisation, as against 25 per cent at present. There are more than 6,000 companies currently listed on the BSE, with a total market capitalisation of \$168bn. It will be the first time the index constituents have been changed for more than 10 years.

96 Index Index Index 1

0.8 190.41 135.52 152.83

0.1 173.46 123.45 139.32

0.1 207.88 147.94 186.95

0.8 170.39 121.27 136.86

0.8 152.53 108.56 122.52

0.2 302.53 215.32 242.99

0.5 200.80 142.91 181.28

0.1 180.72 128.62 145.18

0.2 168.91 120.22 135.67

0.1 408.97 291.07 328.49

1.1 179.46 127.73 144.14

0.7 274.78 195.57 220.70

-0.1 72.66 51.71 58.36

0.5 141.33 100.59 113.52

0.6 518.92 389.32 418.79

-0.6 1189.55 848.63 955.44 10

0.0 284.17 202.25 228.24

1189.55 848.63 955.44 10192.35 284.17 202.25 228.24 224.83 77.34 55.04 62.12 62.75 236.24 108.13 189.75 214.43 191.73 135.46 154.00 261.76 371.35 294.30 298.27 252.97 318.46 226.66 255.79 330.26 168.71 120.07 135.51 188.15 338.97 241.25 272.26 348.94 296.58 168.36 190.02 184.16 190.96 99.61 112.41 143.63 229.74 163.51 184.52 229.74 256.81 182.78 206.27 286.88

-0.8 254.74 167.07 188.55 206.53 0.2 203.48 144.82 163.43 183.08 0.3 295.10 210.03 237.03 284.42 0.4 153.76 109.43 123.50 111.66 0.3 174.36 124.09 140.04 138.75 -0.8 250.40 178.22 201.12 261.37 0.1 184.48 131.30 148.17 156.37 0.1 268.17 190.86 215.39 243.03 0.3 175.50 124.91 140.96 143.52 -0.2 197.85 140.82 158.92 174.39 -0.4 232.99 165.82 187.13 229.68

170.04 139.24 183.247 158.80 246.10 195.98 150.05 135.67 424.84 289.41 88.07 100.59 521.45 0192.36

-0.8 0.3 0.5 0.4 -0.8 0.2 0.3 -0.8 -0.8

2.19 3.10 2.33 1.23 2.14 2.20 2.53 3.06 2.14 1.96 2.56

-0.2 200.64 142.80 161.15 179.37 -0.2 · 2.16 210.30 200.91 143.00 161.29 179.85 214.95 188.49 189.39

ant. Sectos and Co. and Standard & Poor's. 1986. All rights reserved. "FT/S&P Addustics" is a joint trademark of The Financial Three Limited and Standard & Poor's.

725.96

168.50 682.08

132.36 217.04

changed for more than 10 years.

_247.52 _146.43 _240.35

.261.97

..193.01

FT/S&P ACTUARIES WORLD INDICES

There was a calmer trading called for a number of aus- 3,219.89. Probursa was the environment in BUENOS terity measures, was proba- strongest gainer in early terity measures, was proba- strongest gainer in early trade, up 1.72 per cent.

> SAO PAULO was marginally higher at midday although the expiration of futures contracts and Monday's options settlements was keeping activity vola-

The Bovespa index was up nomic programme which IPC index was down 15.79 at 367 at 62,644 my midsession.

NTT shares lead as Nikkei rises again

KOK slid 2 per cent. The

SET index shed 22.26 at

1.088.04 in BT3.1bn turnover.

The Palang Dharma party

nnounced it was leaving

the seven-party coalition

after a row over the approval

Brokers said the demise of

the government, which had

been blamed for a series of

economic problems, might

be welcomed by the market

in the medium term, but

short term uncertainty

would persist until the politi-

The finance sector took

the brunt of the session's

cal impasse was resolved.

loss, down 3.6 per cent.

of new banking licenses.

Much of the region was depressed by Tuesday Local currency terms
August 9th % Change % Change

The 225 index ended 116.16 higher at 20,981.11 after bottoming at 20,728,80. Once again, high tech stocks led the way, but this time Nippon Telegraph and Telephone Corp (NTT) was in the van with a 6.2 per cent leap in active trading amid buy-

Volume fell from 267.9m shares to some 240m. Advances led declines by 702 to 293 with 205 unchanged. The Topix index of all first section stocks rose 9.02 to 1,589.73 and the Nikkei 300 by 1.56 to 296.20. In London, the ISE/Nikkei

50 index rose 0.29 to 1417.05. 16.355 shares.

Among other telecommu-nications-related shares, Matsushita Communication, a maker of telecoms equipent, put on Y80 to Y3,000 in 1.3m shares and Nippon Comsys, a telecoms engineering company, advanced

Today, said brokers, atten-tion was likely to focus on Nintendo, the video games producer normally quoted from Osaka. Trading in Nin-tendo was suspended yesterday afternoon in Tokyo and Osaka following a report in the Japanese business daily, Nihon Keizai Shimbun. The report said interim parent

| Dollar Index | Index

270.90 258.81 194.21 207.78 270.90 276.47 226.74 226.74 226.74 227.74 22

current profits were likely to into question and BANGplunge by 70 per cent from a vear earlier to Y19bn. and blamed slow sales of the 64-

Nintendo's shares were ask-only yesterday morning, last quoted Y400 or 5.2 per cent lower at Y7,340. A Nintendo spokesman later described the report as "groundless". The OSE average yesterday rose 143.99 to

21.858.34

appetite was fuelled by strong buy recommendations by some major foreign houses for NTT, expected to be a major beneficiary of rapid sector growth. NTT rose Y48,000 to Y823,000 in

Y40 to Y1,520 in 3.6m.

ight's 1 per cent point fall in the Dow, but the Nikkei average came back from early lows to close at its high for the second day in succession, writes Our Morkets Staff.

ing by foreign investors.

STRATEGIC DEVELOPMENTS IN THE FOOD AND DRINK INDUSTRY

Special Conference Monday 23 September 1996 The Merchant Centre, London, EC4

Speakers include:

◆ Andrew Dare, Milk Marque

Guy Dickson, Scottish Courage

James Espey, Seagram Distillers

◆ Jim Grover, Grand Metropolitan

Mark Lynch, SBC Warburg

◆ Roger Pilgrim, Charterhouse Development Capital

John Spicer, SBC Warburg

◆ John Wood-Dow, Hillsdown Holdings

and Peter York on The Challenge of Advertising

For further information or to book a place please contact: Caroline Capon

Fax: 01892 531343

Acquisitions

Acquisitions Monthly Conferences Tudor House, 78 Mount Ephraim Tunbridge Wells, Kent TN4 8BS Tel: 01892 537474

Sponsored by

拳 SBC Warburg A DIMSION OF SWISS BANK CORPORATION

Treases junter to the same state of i in a saide and a said and a said a said

Austi

name

centr

banka

12. de 12.00 10.

🚛 🍇 خوده و پردر 🚛

The same of the same

. ACMINITY ME

ales Settle DE

+ E3 maxif. ###

二次 医皮肤 華華 養養

به جمهور درسه

<u>اين يون يون يون</u>

..... W FRANCE

n dage, in 1966

PARK THE PAR

THE PERSON NAMED IN

-- File and

ran prode 🗰

--- 14 22007

read by the diag

1. 12274 y **144 29**

a steene of the s

and from (

ار **المواور بدرا** وحدود

The second secon

the last series (1946).

· - 4681 W 1897

4-20 w 18 348 ¥

the minimum and

- 446

The Paris of the Control of the Cont

23 **#**#

CONTRACT TO THE PARTY NAMED IN e inter iffente i d feinfrattem im . BALL BANK THE SERVICE The Imparished

SEND US YOUR

<. *****

rises again

Suharto opponent names may face arrest

Indonesia's embattled opposition figurehead. Ms Megawati Sukarnoputri, yesterday said she "cannot rule out" the possibility of her arrest, a move which could spark further political

"It could happen," Ms Megawati said yesterday in an interview with the Financial Times. The ousted leader of the opposition Indonesian Democratic party (PDI), replaced by a government-backed candidate earlier this year, is due to turn up for a second session of police questioning in Jakarta

Separately, President Suharto, in a rare interview published in the Japanese newspaper Nihon Keizei himbun yesterday, said the ssue of Ms Megawati's arrest "will be decided by the law after the questioning". "Ms Megawati is being questioned for allowing such forces to take advantage of her party's conflicts and political gatherings," he

Tomorrow, President Subarto will deliver his annual state of the nation speech, which is likely to provide some indication of how he plans to deal with the political unrest. The president will speak to Indonesia's parliament - on the eve of the country's 51st anniversary of independence – in an address which will be broadcast live by state

television. The president told the Japanese newspaper he had yet to decide whether to run for president in the next elections in 1998, but added: "There is a need to prepare the next leader." Earlier this week the president promoted his son-in-law within the military in a move seen as prooming him to succeed the ageing Indonesian leader, who is aged 75.

Ms Megawati said she felt "calm" about the prospect of arrest. "I am very clear about my life, my nation and my respect for the [Indonesian] people." "

She was questioned for more than six hours last week at Jakarta police headquarters about rioting and looting which rocked the capital on July 27. Riots started after police forcibly evicted Ms Megawati's supporters from the PDI's headquarters in Jakarta.

However. Ms Megawati said there were other causes beyond her removal from the PDI leadership behind last month's riots. "There are many problems in Indonesia in this period which cannot be properly resolved. Especially big problems such as corruption, collusion, unemployment (among other

In the aftermath of the riots, the authorities cracked down on critics of the government and many people

vere arrested.

Australia | central banker

By Nikki Tait in Sydney

Australia's Reserve Bank, the central monetary authority, in an amounce ment which brings to an end months of speculation.

In a second announce Mr Morgan had served on the RBA board between 1981 and 1984.

A hint of his views camin an address to a Metal Trades Industry Association conference earlier this year. when he noted that monetary policy in Australia was "increasingly focused on the need to maintain low trifla-

want to remind you that we now live, work and aim to sell our output in a world characterised by flow inflation and relatively low pricing power by business and labour. People who fail to recognise this, and who slip back into the habits of thought of the 1970s and 1980s, will pay a heavy price, and, by extension, so will the whole community."

he said. news of Mr Maciatlane's appointment with a statement on "the conduct of monetary policy" in Austradesignate's endorsement of

named next governor of

Mr Macfarlane, who is one of two deputy governors and has been with the bank since the late-1970s, was the heavily-favoured candidate. He will take over from Mr Bernie Fraser next month. Mr Fraser was appointed under a former Labor government and has already indicated he will not seek en-year term ends on September 17.

ment, Mr Peter Costello, federal treasurer, said Mr Hugh Morgan, the influential but sometimes controversial head of WMC, the large mining group, would fill the Reserve Bank board vacancy left by the resignation of Mr Bill Kelty, a union leader.

The choice of Mr Macfar lane is likely to be welcomed by the financial community. He is generally perceived as more "hawkish" on inflation than his predecessor, although the two have always appeared to have a harmonious relationship, and Mr Macfarlane has kept a low public profile until recently.

Mr Costello accompanied lia, and an exchange of letters setting out the government's and the governor-

The statement reiterates the bank's existing objective of "keeping underlying inflation between 2 and 3 per cent, on average, lover the cycle".

 Australia's federal government is to extend by two years the deadline imposed on foreign banks for converting their Australian subsidiaries into local branches. The new deadline will be December 22: 1998, with the transfer of assets and liabilities by late 2000.

SEND US YOUR

OWN PAPERCLIP

China snubs Murdoch's TV 'dreams' the cable industry, said: "A large proportion of what Mr Murdoch Star TV, which cost Mr Murdoch \$500m in 1993, is expected to lose claims of a mainland partner evaporated. says is groundless." "Mr Murdoch has a lot of beauti-The Murdoch organisation had between \$80m-\$100m this year. The

China has again poured cold water on the ambitions of Mr Rupert Murdoch to secure access to the fast growing China cable television market for his loss-making Hong Kong-based Star TV network. Mr Li Keban, a deputy director of the Ministry of Radio Film and

Television, said recent claims by Mr Murdoch that he was on the verge of securing access to China were incorrect and premature.

In unusually forthright comments, Mr Li, who is responsible for overseeing the development of

ful dreams, but at this stage I don't think it will be possible in China for him to realise them," Mr Li said of proposals that China Central Television (CCTV) re-transmit Star TV on cable networks

throughout the country.
Star TV recently formed a separate Chinese Mandarin language service, known as Phoenix, in partnership with two Hong Kong-based companies, to improve penetration of the China market, but earlier

indicated that either CCTV or the Ministry of Radio Film and Television might joint a consortium to provide cable services in China. Under the proposal the mainland partner would collect subscriptions on behalf of Star, thus facilitating

a lucrative revenue stream. Beijing is most wary of foreign involvement in its media, and has banned direct access to international broadcasts except in threestar hotels and above, which are used predominantly by foreigners.

network may end up requiring investment of \$1bn before it turns a profit, according to industry esti-

The latest sharp criticism of Mr Murdoch's China ambitions is certain to be disappointing for Star TV executives, who have been under considerable pressure to secure direct access to the mainland's exploding cable net-

Mr Li of the Ministry of Radio, Film and Television also cast doubt on claims by Star that it is reaching 30m households in China by way of satellite and cable broadcasts. This was a "sheer one-sided view" and "not possible", he said.

He noted there were some 76,000 "legal" satellite dishes in China. and perhaps no more than 1,000 illegal dishes, known colloquially as "woks". China has banned private satellite dishes to contain the

spread of foreign broadcasts.

While Mr Li is almost certainly underestimating the spread of illegal dishes, Star TV's claims appear to be on the high side. China has some 45m cable subscribers.

Japan's Liberal Democrats return to pre-eminence

n the smothering heat of an August morning seven elderly men in formai suits will today enact a symbolic ritual by filing solemply into the inner sanctum of the Yasukuni shrine

in central Tokyo.
The seven, all cabinet members, will be honouring the memory of the Japanese war dead on the fifty-first anniversary of the country's surrender at the end of the second world war. The symbolism of Shinto ritual will be rich historically and politically. The event marks nothing less than the full return to national ascendancy of the Liberal Democratic party.

·For the last few years, the ceremony has been a deliberately low-key affair, reflecting the controversial nature of the shrine in Japanese political life. Among the souls enshrined at Yasukuni are those of the Class A war criminals tried and hanged by the Allies at the end of the war. Since the LDP fell from national grace a few years ago, their politicians have been wary of making too much of a public display of their devotion.

But not this year. They took their cue from the prime minister, Mr Ryutaro Hashimoto, who two weeks ago became the first head of government to visit the shrine since the glory days of LDP ascendancy 11 years ago. It was a sure sign of the return to pre-emi-nence of the party that neither the Social Democrats. nor the New Harbinger party, the other coalition members, felt able to criti-

rice the visite Now Mr Hashimoto and his colleagues are entering the last stage of the consolifixtion of the LDP's recovery. In the next few months, he must make the most crucial decision of his prime ministership - when to call an election. If he gets it right, he has every prospect of comenting the party's long-

term political ascendancy.



It has been a remarkably even-paced march back to restoration for the LDP. Ousted in 1993 after nearly 40 years in power, the party was forced to cool its heels in opposition for a year. By the summer of 1994, it was back in government, in a coalition with its two unlikely new allies, under a socialist prime minister. Then in January this year, it recovered the prime ministership when Mr Hashimoto

was elected by members of

fellow coalition members. A general election for the main, lower house of the Japanese parliament has to be held some time between now and next June. A new electoral system - part single-member seat, part multimember, clouds accurate prognostications about the outcome, but LDP leaders clearly believe they can

secure a clear majority. With an approval rating now above 40 per cent, the party can look forward to the election with real hope.

Consequently, leading figures are pressing for an election soon, perhaps as early as October. They say delay would bring risks.

This autumn the govern ment faces another difficult series of legislative battles. The main business of the special session of parliament, scheduled to open in September, will be the continuing controversy over the renewal of land leases for the US forces on Okinawa. The SDP has threatened to parliament, though still oppose some of the proposthanks partly to the votes of . als, an early election would

scupper that. The attraction of exploiting the current disarray in the main opposition New Frontier party will also prove hard to resist. Deeply riven by personal and policy differences the party is in no condition to fight an early general election

But Mr Hashimoto himself is not so sure. He is said to favour delaying an election until the new year for two main tactical reasons.

The benefits of the gradually recovering economy

Prime Minister Ryutaro Hashimoto yesterday issued Japan's first written apology to women forced into sex slavery by the Japanese army during the second world war, Renter reports from Tokyo.

have not yet seeped through to ordinary voters. In the autumn, the Bank of Japan is likely to raise interest rates and, in Japan, that is, paradoxically, popular – as the country's famously plentiful savers benefit from

higher deposit rates. In addition, there is a series of autumn international photo opportunities that will enhance Mr Hashimoto's status. These include the annual Asia-Pacific Economic Co-operation forum meeting and a possible visit

to the US. But, most important, the prime minister may have given the real game away last week. He suggested an election should not be held until after the passage of the planned supplementary budget, probably in December.

This may be the clinching consideration for the LDP. That budget is expected to provide for hefty new spending on construction projects. The big builders are almost all big financial supporters of the LDP, which can be expected to repay the government's generosity in full with party contributions.

The LDP is strapped for cash, since the new electoral system is proving as costly as the old one in terms of buying up support in the party's heartlands. Mr Hashimoto knows too well it would be churlish to enter a campaign without a full war chest. Given the stakes nothing less than a chance to restore the LDP to its historic position of dominance in the country's politics Mr Hashimoto is unlikely to get his timing wrong.

Gerard Baker

ASIA-PACIFIC NEWS DIGEST China in talks on oil with Iraq

China, faced with an ever-growing energy demand, is holding discussions with Iraq to co-operate in seismic studies and exploration in Iraqi oilfields, China oil

officials said vesterday. "We are discussing with Iraq to co-operate in oil seismic studies and exploration," a source from the state-run oil industry said by phone from Beijing. "We are discussing possibilities in one Iraqi oilfield... but we have not signed any agreement," he added. He declined to say when a deal

could be clinched or name the oilfield. Iraq, under strict UN sanctions since its 1990 invasion of Kuwait, was formally given permission last week to sell \$2bn worth of oil every six months, on a renewable basis. to buy food and medicine for the Iraqi people. Iraq has the world's second biggest oil reserves after Saudi Arabia. Its proven reserves are more than 112bn barrels (11 per cent

Manila rejects call to devalue

The Philippine central bank yesterday rejected calls by a senior cabinet minister for the monetary authorities to engineer a depreciation of the Philippine peso to boost the country's export earnings. in signs of growing tension between the central bank and a vocal exporters' lobby, the central bank denied the peso was overvalued against the US dollar, reiterating its commitment to a market-determined rate. The peso has depreciated

about 5 per cent over the past 12 months. The central bank, which has intervened heavily to prevent the currency from appreciating over the past six months, boosting foreign exchange reserves to over \$11bn (under \$7bn at the start of the year), said it would stick to its "successful" strategy. The bank's stated policy is to intervene to curb excessive fluctuations in the peso/dollar rate. Edupard Luce, Marrila

Karachi gunmen kill 11

At least 11 people were killed and another three injured yesterday when unknown gunmen opened fire at a rally organised by a Sunni Moslem group in Karachi.
The rally was organised by the Anjuman

Sipah-e-Sahaba Pakistan (ASSP) to mark independence day celebrations. The ASSP is known as one of Pakistan's most militant

religious organisations. It has campaigned for years for a government ban on the religious activities of the country's Shia Moslem minority. The killings immediately triggered fears of an escalation in violence between rival Moslem groups. Tempers have been running high in parts of Pakistan

recently, since the killing of four prominent Shias, who included a senior bureaucrat. Farhan Bokhari, Islamabad

Auctioneers call for bidders during yesterday's government

ong Rong property

Land sale prices lift spirits in Hong Kong

in Hong Kong

In land-scarce Hong Kong, where swings in property prices underpin the eco-nomic mood, yesterday's land auction provided a welcome surprise.

The sale revealed a gather-

ing momentum in the resi-dential sector as bidding between some of the territo-ry's biggest property groups pushed prices beyond expectation. The main site on offer sold for HK\$535m (\$69m), compared with the HK\$400m-HK\$500m range predicted by many analysts. Residential property prices have increased by about 15 per cent this year following

the protracted slump of "It [the sale] shows improved confidence in the sector," said Mr Euan Weir, property analyst at Merrill for a 276 square metre site Lynch in Hong Kong. "It was

buyer," he added, referring to Henderson Land, the succesaful bidder and one of the territory's blue-chip property For Mr David Faulkner,

partner at Brooke Hiller Parker, the price suggested the big property companies were viewing market prospects optimistically. "The market is coming back strongly, although it is not as strong as the early 1990s," he said. But several analysts urged caution. The main site to be sold was relatively small, at 21,200 square metres; recovery in other sectors of the

erty, has been slower. The main site, situated in the New Territories on the Chinese mainland, will be used for town-house development. A smaller plot was also sold, achieving HK\$17m on the Hong Kong coast.

market, notably office prop-

lifted by the auction: the Hang Seng index climbed from a low of 11,096 to close at 11,167. The property sector is one of the main indicators of economic confidence in the territory, which returns to Chinese sovereignty next

July. Mr Daryl Ho, economist at Jardine Fleming, said the property market revival was likely to feed through into the sluggish retail sector in the second half. Weak consumer spending has been one of the main reasons for the lacklustre performance in the colony's economy, which expanded 8.1 per cent in the first quarter.

The government is forecasting a 5 per cent rise in gross domestic product this year. Many economists pre-dict gathering momentum through the second half of the year, but believe this target is ambitious

Microwaves, lawnmowers, computers. We're always looking for labour-making devices.

And while you are at it, please attach your 12/11/21/18 cheque to fund more Macmillan Nurses in the fight against cancer. (Did you know over one million people are living with it?) made out to 'CRMF (F1) Send to: CRMF FREEPOST LONDON SW3 3BR Macmillan cople with cancer and their fa **LEGAL NOTICES** Cat 7622 of 1995

IN THE MATTER OF

DAI SCHI KYOTO REDSURANCHEA

DAI ICEL ENOTO REDISTRANCINA.

ON THE MATTER OF
THE PRODUCTION OF
THE PRODUCTION OF
THE PRODUCTION OF
THE PRODUCTION OF
(Under Categorishery Winding - Up order
thest 24 insurery 1996)
NUTACE IS INSUREY GIVEN passes to top order
thest 24 insurery 1996
NUTACE IS INSUREY OF THE ORDER OF
THE PRODUCTION OF
THE PRODUCTION OF THE ORDER OF
THE PRODUCTION OF THE ORDER OF
THE PRODUCTION OF THE ORDER OF
THE PRODUCTION OF
THE PRODUCTION OF
THE ORDER OF
TH AND STEE MATTER OF ENGLISHEN WHATER OF ENGLISHEN WASHES - We do not 24 January 1996) institute. plon, ECTV THY. (a):- for descendant London BCAA 4RIT Date this 13th day of August 1996

'Isolated' EU position forecast

Political Editor

The government's increasing isolation from other European countries over the future of the European Union was highlighted yesterday by the foreign affairs committee of the House of Commons. But the committee supported the broad thrust of the government's proposals for the intergovernmental conference on reforming the EU's institu-

"There is a real prospect that the United Kingdom MP Mr David Howell who may find itself isolated on a has recently become mildly

Law Courts Correspondent

The proposed restructuring

of Lloyd's of London

breaches the fundamental

principle behind the insur-

ance market - that Names

should be responsible for

their own losses, the High

lenging the legality of the

reconstruction and

renewal" proposals put for-ward by the Council of

Lloyd's, Names claimed the

plans were unlawful because

they meant some Names -

have traditionally supported

the market - would be sub-

sidising losses incurred by

The case is being brought

by the Paying Names Action Group which claims its

members are being unfairly

discriminated against

scale losses incurred at

Lloyd's in the 1980s.

because they paid all their

individuals whose assets

Court was told yesterday. In a judicial review chal-

Principles of

Lloyd's rescue

plan challenged

If it succeeded.

several liability that under-

lined the market.

Mr Gordon said the proposed system of "debt cred-

its" also discriminated

against those Names who

was originally planning to

give his judgment on the

case next Monday. However

the lawyer for the Council of

his decision on Friday if pos-

Should Lloyd's lose the

judicial review, it would take

Appeal as quickly as possi-

ble, probably next Tuesday.

The deadline for Names

August 28. The question of

the legality of the restructur-

number of major issues." the Eurosceptic in his views. committee concluded in a report on the intergovernmental conference (IGC). It drew attention to evi-

dence given by Sir Stephen Wall, the UK's ambassador to the EU, that many European countries "worry about whether we [the UK] remain committed to making a success of our membership of the European Union". The committee warned the

government that it had probably underestimated the importance of the IGC. The committee is chaired by the MP Mr David Howell who

The government's view that the conference was the equivalent of a "5,000 mile [car] service" for the EU's expectations of other member states".

The committee's report also contained a letter from the chancellor of the exchequer, Mr Kenneth Clarke. pledging that the government would "have no hesitation" in vetoing any treaty amendment designed to force sterling to rejoin the European Exchange Rate

government's position remains that while exchange rate stability is desirable, the way to achieve it is through the common pursuit of sound fiscal and monetary policies."

Meanwhile Mr Peter Shore, the arch-Eurosceptic former minister in the opposition Labour party also on the committee, said there was "very little evidence" the UK was "winning the argument" on the priorities for the IGC.

The committee supported the government's opposition to the extension of majority voting in EU affairs, espe-

cially in the areas of justice, home affairs and foreign policy. It feared, however, that there would be a "concerted attempt at the IGC" for justice and home affairs to be transferred into the main decision-making apparatus of the EU.

The MPs were particularly concerned about the apparently increasing power of the European Court of Justice. They recommended that special intergovernment conferences should be held to review court judgments based on controversial interpretations of the EU's foun-



Rally: Striking postal workers in London yesterday showed solidarity against Royal Mail

Strikes hit six-year high had paid their debts. The hearing is expected to last until Friday. The judge

By Robert Taylor,

Lloyd's, urged him to give June was the worst month for industrial conflict in the UK for more than six years ccording to figures published yesterday by the Office for National Statisthe case to the Court of tics. Provisional estimates indicate 228,000 working days were lost during the mouth because of labour disputes - the highest figure since March 1990, when 236,000 working days were lost as a result of strikes.

beginning of a rising trend in labour militancy that some observers in industry believe could lead to widespread strike action during the coming winter.

During the twelve months to this June, 592,000 working days were lost as a result of strikes in 233 stoppages involving 235,000

Official strike statistics in the UK only cover disputes that are connected with the

The rise in industrial terms and conditions of conflict could mark the employment. The marathon employment. The marathon dispute still going on at Liverpool docks that began last September has never been recorded in the official figures because the workers concerned were dismissed by their employer.

Those disputes that ers or lasting less than one day are excluded from the government's figures except where the aggregate of working days lost exceeds

ally, they should receive 50 per cent of the proceeds rather than 25 per cent as they did. Ms Amanda Harcourt, general secretary of Basca, said some companies, including PolyGram and Warner, had agreed to these claims, but EMI had refused.

Basca has taken legal advice and claims its lawyers have concluded that EMI is in breach of its fiduciary duty to the composers, who are thus entitled to claim compensation for their "lost" foreign earnings. Ms Harcourt said Basca would struct its solicitors to conthe brothers, that Sark's tact EMI, adding that, if necessary. Basca is prepared to

take the company to court. Thorn EMI declined to comment "until we have seen the charges". It said its music publishing subsidiary, which represents 10,000 UK composers, had received one letter of complaint "several

UK NEWS DIGEST

Publisher

in royalty

row with

By Alice Rawsthom,

in London

composers

Thorn EMI is threatened

with legal action from UK

songwriters claiming they

are owed substantial sums

in unpaid earnings from

other countries. The threat

comes on the eve of tomor-

row's extraordinary general meeting at which Thorn EMI shareholders will vote on

proposals to demerge the

Thorn rental chain from the

If the songwriters win

their battle against EMI, it

could have significant impli-

cations for the rest of the

\$40bn (\$62bn)-a-year global

music industry, as other

multinational music groups

The action has been insti-gated by the British Academy of Songwriters Compos-

ers and Authors, whose

members account for 75 per cent of royalties earned by

UK composers. About 50

Basca members are involved

in the EMI action, most of whom signed publishing con-

tracts with independent UK

publishers subsequently

Under original contracts

any royalties earned in the

UK were split 50:50 between

composer and publisher.

Rights elsewhere were han-dled by "sub-publishers" in

other countries, which kept 50 per cent of the royalties

and returned the rest to the

UK publisher to be divided

equally with the composer.

After EMI acquired the UK

independent publishers, it

started to handle non-UK

rights through its own music

publishing subsidiaries.

Other music groups did the

same when they expanded

Some composers have

since claimed if the same

publishing company is han-

dling their work internation-

internationally.

taken over by EMI.

might face similar claims.

EMI music group.

Jobless fall gathers pace

The fall in Britain's unemployment total gathered pace last month. With average carnings also rising unexpectedly quickly in the year to June, this appears to limit the scope for another cut in interest rates.

The number of people without work and claiming benehis fell by a seasonally adjusted 24,100 last month, the Office for National Statistics said vesterday. This reduced the total to 2,126,200, its lowest level since early 1991. Average earnings growth was stronger than City of

London economists had predicted, but remains in the 3 to 4 per cent band it has occupied for the last three and a half years. Earnings rose by an underlying 3.75 per cent in the year to June, with the figure for the previous month revised up by a quarter point to the same level.

Rubert Chote Samuel Brittan, Page 8 i sinennaf

13.590

THE TOP

----**-**

H

11.

1:#

1-444

1. (1.44)

- **5** 14 - 62 -

操作性道"

Sparger History

· contra

1

<u> (چې ب</u>

A 多药类

و قومت د .

. 2

🕳 🕳 😸

والأوالية المستمر

- F. 200

: . . . I.

- 1- 1**-**

. 4.

2. 74

min state . . : : : 4

n Augusta گوشت ا

· desir b 5 Da Ma 22

i (m. m.)

· < 44.47.4

A = 112

* *: *

MATERIA NA

....

ः कम्

■ POLITICS

Opposition plans to woo business

Mr Tony Blair, leader of the opposition Labour party, will next month make his most determined pitch yet to win over the business community by making five pledges to underpin the economic policy of a Labour government. The five "early" pledges to business provide a broad yardstick by which a first Blair administration could be udged. They are:

• to set tough rules for government spending and borrowing, ensure low inflation and strengthen the economy so that interest rates are as low as possible and to promote a tax system which is fair, encourages employment and promotes investment

 establish a central role for Britain in a Europe that is outward-looking and anti-protectionist

raise standards in all schools and promote new oppor-

tunities for workers to learn new skills promote the interests of small business and take tough

action on late payment

 a new partnership between government and business to improve Britain's competitiveness.

INTERNET

Browser competition rises

Internet service providers should co-operate in developing services which use features such as the Platform for Internet Content Selection, (Pics), Mr Ian Taylor, minister for science, said yesterday at the launch of Microsoft's new Internet Explorer Web browser software.

Pics, which is based on content labelling similar to the film-rating system, allows parents, teachers and others to screen out undesirable material. "Pics leads the market and Microsoft's action in implementing it shows the way for others to follow," said Mr Taylor. British Telecommunications, CompuServer, Demon.

Ireland Online, MSN and UUNet Pipex said they would adopt the product in a move which ups the stakes in the battle between Microsoft and Netscape Communications which currently dominates the browser market with its Navigator product.

BRANDING

Kellogg challenges Tesco design

Kellogg is demanding Tesco changes the design of its own-label cornflake packets, alleging that the UK's lead-ing supermarket chain plagiarised the design from Kell-

ogg's well-known packaging.
The conflict is the highest profile image fight between a brand owner and an own-label retailer since Coca-Cola forced J. Sainsbury to change the design of the supermarket chain's own cola cans and bottles two years ago.

If neither side backs down, the conflict will severely test the packaging code of conduct agreed between retailers and manufacturers after the Coca-Cola/Sainsbury fight. The code, administered by the Institute of Grocery says signatories mus plagiarism in packaging and trade dress." Both Kellogg and Tesco signed the code and could use the IGD's dispute resolution procedures. Alternatively, Kellogg could take Tesco to court.

LONDON HOTELS

Other: 15.9% (Individual) 19%

business travellers than tourists, a recent survey of 20 first-class hotels, has found. The survey of the performance of 5-star hotels, including the Savoy and the London Hilton, was produced by Arthur Andersen, the accountants. It found that business travellers accounted for 65 per cent of room nights sold in the first six months of the year compared with 35 per cent for tourists.

The largest proportion of overseas travellers came from North America, which accounted for 36 per cent of the market. Arthur Andersen said that the London hotels were operating at 73.4 per cent occupancy in the first half of the year compared with 71.8 per cent in the same period last year. The highest occupancy rate was 85 per cent and the highest average room rate was £282 (\$139.92), or £331, including VAT. Scheherazade Daneshkhu

Exam success prompts row on standards

By John Authors in London

A sharp increase in the pass rate in A-level examinations taken by school pupils early dards had been diluted.

determinants of students' chances of obtaining a uni-

A-levels taken by school pupils in June increased by 8 percentage points, from 84 to 85.8 per cent. Five years ago, the pass rate was 75.9 per cent. More candidates also managed a grade

A, up from 15.6 to 16 per cent. Entries for science subjects fell, while less traditional subjects such as film studies and psychology saw a sharp increase in students. The proportion of 18-year-

olds attempting the exams while the total age group grew by almost 3 per cent.

There was a mixed reaction from employers. Mr Roger Young, director-gen-The total pass rate for eral of the institute of Management, said: "Managers are asking just how real is our gold standard? Setting a UK record is one thing, but our young people are now competing in a race against a world class field."

The Confederation of British Industry was more positive, greeting the results as evidence that "the reforms of recent years, such as the introduction of the national

to switch to newer subjects which were perceived as more interesting and less rigorous. Applications for media, film and television studies rose by 25.9 per cent, while entries for general were "not worth the paper

studies, which many universities do not accept as an

appearing to have switched to the more modern business studies course which was up 8.4 per cent,

the sixth form, with the final exams accounting for only 30 per cent of the total mark, came in for heavy criticism. They accounted for more than half of entries in mathematics, chemistry and biology, but Sir Rhodes Boyson, a former Conservative education minister, said they

Today's figures show that A-level, rose by 10.4 per cent. modular exams are indeed statistically easier to pass economics also fell 7.6 per in physics 89.3 per cent of modular candidates passed. compared with 82.3 per cent of candidates for traditional courses, while in mathematics the figures were 90,2 per-

> Lord Henley, the education minister, said the government would guarantee standards by introducing a code of conduct for exam boards, and limiting the number of times modular candidates could re-sit

cent compared with 83.4 per

Editorial comment, Page 9

ueen to oppose millionaires in court

By Philip Jeune in Jersey

multi-millionaire island of Brecqhou from its their case. ancient feudal links to

Sir Graham Dorey, the Bailiff of Guernsey, ruled Strappine, lawyer for the yesterday that the Crown Barclays, strongly opposed may become a second defendant in the civil action brought by David and Frede-

gneur of Sark, Mr Michael

, Sir Graham accepted seeking to free the tiny affected if the Barclays win

His ruling was reached after 10 hours of private legal argument. Mr Lloyd Barclays, strongly opposed the Crown's application, but it is not yet known if he will appeal against Sir Graham's

worth £650m (\$1.01bn), are Barclay brothers are to be claims by lawyers for the Sark's feudal inheritance lease on Brecqhou. opposed by the Queen in a Crown that the Queen has a laws. Sark law dictates that The Queen is the feudal not impressed by recent Channel Islands court action strong interest in the action their Brecqhou estate, which overload of Sark, which has comments from Lord in which the brothers are and that her rights might be now includes a recently com- a population of 550, and Mr McAlpine, a close friend of pleted £40m castle, be left to the eldest brother's eldest

> The 61-year-old identical twins have four children between them, including a daughter, and wish their estate to be divided through a family trust.

Their action also seeks the return of feudal dues of

For Part of the Control of the Contr

The twins, said to be £179,000 which they had to clays closely. "We could pay to Mr Beaumont when particularly concerned about they purchased the £2.3m

> Beaumont acts as her land-The decision to allow the Crown to become a second

> defendant was welcomed by 68-year-old Mr Beaumont. We can stand up to the Barclays' claims," he said, He is sad, though, that the action probably means he

have been good neighbours," he said. Mr Beaumont said he was

laws - which also prohibit divorce - are outdated and that the Barclays might pursue the matter as far as the European courts if they fail to get satisfaction in Guern-

"Frankly, his remarks were nonsense," said Mr will not get to know the Bar- Beaumont.

rick Barclay against the Sei- decision.

CONTRACTS & TENDERS

debts following the large accepting the proposals is

The council of Lloyd's ing plans must be finally set-

strongly opposes the case, tled before then.

NOTICE OF BID - DCL

Companhia de Eletricidade do Estado da Bahia - COELBA, will make the following bid: INTERMATIONAL BID 981/COELEA/96. OBJECT: POWER TRANSFORMER. RECEIPT OF PROPOSALS: BY 9:00 A.M. SEPTEMBER 18, 1996. COST OF PRINTED BED CONDITIONS: R\$ 20,00 (TWENTY REALS). LOCATION FOR PURCHASE OF BED CONDITIONS AND RECEIPT AND READING OF PROPOSALS: Av. Edgard Santos, Coeliba Building, 300, Block 1, Street level, Salvador, Bahla, Brazil. BIDS AND CONTRACTS DEPARTMENT - "DCL".

COEL SECRETARIA DE ENERGIA. TRAN

LEGAL NOTICE

SERVICE HOME SERVICES LIMITED (In Compulsory Liquidation) FINAL NOTICE

NOTICE IS HEREBY GIVEN that the Creditors of the above named Company, which is in Compulsory Liquidation, are required, on or before 30th August 1996 to send in their full christian and surmames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned J.A. Talbot of Arthur Andersen, 1 Victoria Square, Birmingham B1 18D, indersigned J.A. 19100 of Artifle Albument, I veguined by notice in writing from the Liquidator of the said Company, and if so required by notice in writing from the Liquidator, are personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are

J. A. Talbo

MARGINED CURRENCY DEALING

Flexible managed accounts

Limited liability guaranteed

Lowest margin deposits

[296-5%]

CALL TOLL-FREE Austria 0550 7480 Denmark 8001 0430 Figinez 0520 6446 Ireland 1 800 925018 Norway 8001 1181

Factor 0800 49129016 Granz (10800 49129016 Italy 1678 70975 Portugal 0505 493561 Sweden 02078 1071 md 155 3548 OR CALL DIRECT

Tel: (49) 40 301 870 Fact (49) 40 321 851

Small abattoirs challenge **BSE** slaughter payment

Independent abattoirs have challenged the cost of killing cattle under the government's BSE slaughter scheme, saying they could do the job much more cheaply.

The challenge came as the industry was due to begin talks over cutting the £87.50 per cow paid to slaughter plants, but yesterday's talks were postponed.

A number of smaller

group believe they could kill the cattle for £30 to £35 per head. They point out that in

addition abattoirs can keep

·Mr Morphet said payment

the profit on selling the animal's hide which is around from the scheme would mean an additional £75m in

profit per year for the 43 abattoirs involved.

slaughter houses accuse the government of "carving up" the cull scheme between the

larger, more powerful plants. "It's highway robbery," said minister responsible for Mr Sammy Morphet, who co-ordinating the governhas formed a group of 70 abattoirs that feel they have been unjustly treated by the Ministry of Agriculture. Members of Mr Morphet's

ment's response to BSE, said' that "a slightly more sophis-ticated system of payment is required related to the cost of the operation". He said the backlog of ani-

mals still to be killed was around 150,000 which should be cleared by the end of October. However, this is a lot lower than calculations from abattoirs and the National Farmers' Union which says there could be as many as 450,000 animals still take until early next year.

Business books in for luxury

London's luxury hotels are far more dependent on

Sciences suffer as A-level candidates appear to switch to less rigorous subjects

in the summer was announced yesterday and led to renewed claims that stan-A-levels are taken by pupils aged 17 and above and the results are the main

versity place.

curriculum, are paying off".

This year's figures show fell. The total entry an encouraging jump in the increased by 1.2 per cent, numbers attempting mathematics, up 8.4 per cent to 67.442, but science subjects suffered further falls - physics down 5.7 per cent, chemistry down 4.3 per cent.

Instead, candidates seemed

The numbers attempting cent, with candidates

Modular courses, in which exams are taken throughout

exams.

حيكذا من الاحل

<:\b

ាដាំ

win business |

in the fation rises

a programme from design

 $\omega \in \mathcal{O}_{\epsilon} D \mathcal{C}$

10

- Comp

- - U.K

ailhouse blues

chasing the ex-jailbird who once killed his child. The woman in another is on Death Row awaiting clemency for a brutal murder. The man runs around town battling implausible story set-ups and psychobabble dialogue. The woman sits in her cell, bruised and brooding, and won-dering why Susan Hayward got all the best lines in that small but cultist genre devoted to female capital punishment.

The Crossing Guard, starring Jack Nicholson, and Last Dance, starring Sharon Stone, are both what Hollywood likes to call "strong situation" films. One imagines the mogula purring in response to each story pitch.
"Great! Why not get Jack together
again with Anjelica (Huston), to fight and cry and bust up the fur-niture as the couple who lose their daughter to a drunk driver but can't agree about taking ven-geance on her killer. I see Oscars!" And: "Why not put the Stone broad in as the woman who

killed cos she was corrupted by rugs and another guy, and who now wants to live with help from a young clemency lawyer. Sharon's just shown in Casino that she can act for crissake! I see 2 2 Telep Oscars.'

I see emptying movie theatres. Glooming away on themes of death justice and retribution. these two movies try to put depth and humanity back into a summer that sorely needs both commodities. But Nicholson in The Crossing Guard and Stone in Last Dance show that it is not enough to be a strong actor in a strong plot situation. You need a strong, or at least serviceable, script. This means line-by-line, motive-by-motive believability. These two films disguise dramatic short cuts with florid gesturings and fraff motivation with airily portentous dia-

The Crossing Guard begins promisingly. Writer-director Sean Penn, whose film-making debut The Indian Runner had a broody magnetism, gives us a hero whose life has been a waiting bomb since his child's death and who finds that circumstance has now lit the fuse. The killer is out of jail.

Estranged wife Anjelica Huston's attempts to placate Nicholson only fire him up further. And before you can say "cat in the adage" he has told I-dare-not to stop waiting on I-would by tracking Morse to the young man's trailer. At midnight. With a gun. Here the whole thing starts to go cuckoo. It is hard to believe that even a criminal as hippyishly

pacific as the reformed Morse

would say to his avenger, "Could

THE CROSSING GUARD Sean Penn

LAST DANCE Bruce Beresford

THE SILENCE OF THE HAMS Ezio Greggio

THE SECRET AGENT CLUB ... John Murlowski

> HUNGER ARTIST Bernard Rudden

THE NICK OF TIME John Badham

you maybe take a comple of days and maybe think about not taking my life?" Or that Nicholson in return would promptly and thoughtfully offer three days, like an encyclopaedia salesman promising to return when the husband is in.

its second phase, in which a wispy subplot about the ex-con's burgeoning love life is cross-cut with Jack gnawing his nails, polishing his weapons and managing his not very convincing jewellery

Concerning the final act we will merely issue a vague but earnest customer warning: Do not go gently into a film that compels you to watch an ageing superstar running around town like a marathen runner with a pillow down his front, and that is then capped

sages and jazz music.

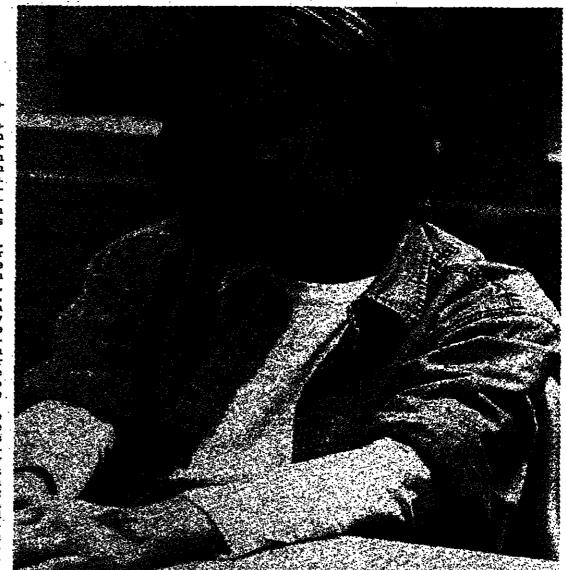
Last Dance is Dead Man Walk-

ing in all but gender. Sharon Stone ends up in the lethal injec-tion chamber, just like Mr Penn in his last onscreen endeavour, with arms akimbo like a Christ figure. Her one-person support group -clemency lawyer Rob Morrow substituting for nun Susan Sarandon gazes through the viewing glass with swimmy-eyed earnestness.
Unlike the earlier film, though

we never believe a moment. After her much-flashbacked experience of stabbing a girl to death with broken glass 12 years before, Stone's heroine now sits in bokey, her once black hair turned auburn with suffering. Appeals for mercy have fallen on the deaf ears of the state governor and her self-improving correspondence course in drawing has failed to turn her into Andrew Wyeth. Now she scorns the young lawyer who thinks he can win a last-minute reprieve.

Director Bruce Beresford, whose career has been sky-diving since Driving Miss Daisy, plunges towards earth as the film's dramatic parachute stubbornly refuses to open. The worst moment is the postlude in which our newly contemplative young hero visits India (where else?) in a scene awash with sanctimony and the sound of celestial doo-woppers. The best moment - though possibly not by intention - is supplied earlier by a rival mercy-seeker a black murderer and published memoirist who says loudly and indignantly to Morrow, "How they gonna kill a man who's been on the New York Times best seller Thereupon the film sets off on list?" Even on Death Row there are some priorities.

We go to prison again in The Silence Of The Hams, whose parodic target you hardly require me to decode. Actually it spends only a few minutes on the comic possibilities of Dom DeLuise as Hannibal Lecter (almost none), before diverting into a spoof on Psycho. This is not funny either, but then what can a film-maker do? The sets are built and the actors have learned their lines, and they include Shelley Winters, with a final sunset scene ickly Billy Zane, Martin Balsam (as lainess Lesley-Anne Down (doing the soundtrack, deserves some



Glooming away on themes of death and justice: Sharon Stone in 'Last Dance'

Martin Balsam, lampooning his famous backward stair-fall) and someone called Exio Greggio who also wrote and directed. The only funny jokes are the first two, which set the press show on a premature roar prior to a long, deadly quietude.

The silence of the hacks continued with the children's comedy The Secret Agent Club. Hulk Hogan, an ex-wrestler unencumbered by acting ability, plays the kidnapped government spy whose son and son's playmates, with "weapons" raided from a toyshop, rescue him from international vil-

a bad impersonation of Joan Collins). Director John Murlowski, despairing of any more creative option, points the camera at anything that moves.

If he had adopted the same principle in *Hunger Artist* he would have had nowhere to point the camera at all. Inertia reaches an apogee in this film from the British Film Institute production board. Even by their standards of audience mortification, this tale of an obscure young martyr dragged from one symbolic station of modern life to another while a

sort of Oscar for best inanimation

Is there no moment of élan this week? Only the sight of Johnny Depp falling from a high place in Nick Of Time - though he sur-

vives - while Christopher Walken sparls away at ground level as the man trying to egg him on to murder governor of California Marsha Mason in a shopping mall. Brought to you by the BFI in its other guise, as a snapper-up of unreleased Hollywood trifles, John Badham's thriller passes a more painless 80 minutes than woman's commentary drizzles on anything else in this problem

vield of gloomy trudging

There is nudity at the end,

and daintily non-committal

it is, too: the cast take off

their glum outfits and, backs

to us, trail off into the set.

Splendid for haunch-fetish-

Kylian's 1978 version of

Stravinsky's Symphony of

Psalms has long been a key

work in his brand of NDT

aesthetic. It consists of anx-

ious rushing by the men,

pious poses, intense feeling

expressed through

unstretched feet and swirl-

ing female bodies, and a dis-inclination to consider what

the music is doing. The

dance feeds off the score in

cannibalistic fashion: Stra-

vinsky's profound plety, his subtle changes of manner,

serve merely as a track

ists; hell for the rest of us.

thought it a pretentious Epstein's homosexuality dare not speak its name. Lightfoot's Start to Finish, made this year, is merely The impression is that tiresome, with its four drumhe finally married his

forsaking the fle London and such heady diversions as a film premiere with Prince Margaret, to rush back to Liverpool with the ring from Gerrards. The only harbs are reserved for poor Cilla Black. For the rest Marsden

been a dream. Gerry and the Pacemakers still tour, age having made their name all too relevant. As the Friday Night is Music Night audience passes on, so the middle-aged and idle will relive their youth with this kind of entertainment. The possibilities are endless. The Beverley Sisters were gamely clapping along in the audience. No doubt Bill

" n the beginning was the Word and at the beginning of the day is the Reduced Shakespeare Company's 11.80am show. The Bible: The Complete Word of God (Abridged),

August 31. The show follows the same strategy as their Shakespeare and History-of-America enterprises - three manic Americans compress the subject matter into 90 minutes - but this particular outing feels less certain than hitherto, as if the scope of . . their source material and its status has hobbled them somewhat.

In Edinburgh, though, virtually everyone has a message to convey or is playing with methods of communication. Cork-born bitch-queen Graham Norton, in his strongest and most confident show since his 1992 debut (Assembly Rooms until August 81), discusses topics from Ricki Lake's trashy TV talk show before rounding the evening off with a live-. on-stage telephone call in se to a sex ad in the

back of QX magazine.

Meanwhile, David Strassmen is communicating with-

ventional ventriloquistic foundations - his dummies have names like Chuck Wood and Teddy Bear - but in the course of an hour both style and content slowly mutate: Chuck turns out to be a sharp-witted, foul-mouthed yob and by the time Strassman brings out three animatronic triceratopes which he conducts through a rendition of Bohemian Rhapsody, we definitely aren't in Kansas any

more. The central family in David Greig's play The Architect (Traverse Theatre until August 31) spends the first act resolutely failing to communicate. Greig is a skilful writer and is given a sensitive production by Philip Howard, but his thesis that modern families, like modern buildings, are not always the "machines for living" which they should be

rouc about bound son cannot come to terms with his own sexuality nor his daughter, seemingly. with any mode of social existence. By the time the Blacks begin to grope towards an emotional linguo francu, the audience may be experiencing its own difficulties in engaging with the characters.

A trivial failure to communicate generates Ben Moor's gloriously bizarre solo comic narrative Twelve (The Pleasance until August 31). Moor's lanky, gangling frame is combined with an intellect that square-dances through everyday occurances, spewing forth images which range from a marauding army of six-inch-high clones of the Pope to the ideal sweetmeat, "a Swiss Army roll, with five smaller useful cakes coming out at the side". Moor is the most determinedly surrealistic of the current crop of young

31) is an air prospect; as in the film of Terry Gilliam, the laughs are inserted largely to offer momentary respite from soutims of discomfiture. After a deliberately gentle

Mad methods of communication

start - a sketch about football supporters watching Hamlet - the trio's material grows ever-more disturbing. The sketches are written and performed with a granite assurance and promise to iolt the complacency out of dimwits.) Kylian's Sym-

Ian Shuttleworth "negative reality", "individ-

THEATRE

out his lips (Beck's Famous think only of his work, his The League of Gentlemen Splegaltest until August 31). wife grows ever more neu(The Pleasance until August 12) bearing programme humanly vulnerable and ping in tongues, and its rich Nederlands Dans Theater's Festival season which opened on Tuesday at the Playhouse has programme 'identifies the shortcomings notes hanging from every of the NDT manner and repstep. Each work - two by Jiri Kylian, the troupe's artistic director; one by Paul Lightfoot, a member of the

company - was extensively

signposted.

Kylian's Bella figura addresses the ambiguity of aesthetics, performance and dreams" and "is like trying to perform a balancing act on the string of your own umbilical cord." Lightfoot's ghastly Stort to Finish "creates a world of fragile human beings who appear not to have total control over their emotions or over the situations that lead to these emotions". (The piece is The Rite of Spring done by the most jaded comedy-goer. phony of Psalms is hung about with comments about

speak for itself. is an aerobics class in a carpet shop. It is prefatory gabble of this kind which, for me, so

ertory. Dance is far less

important than messages which are then imposed upon scores with the musical sensitivity of a busker. Bella figura uses berooue music, the choreography kicking and writhing its way over a grab-bag of scores, most offensively so in its cavalier attitudes to Pergolesi's Stabat Mater. A topiess Japanese girl, flaming braziers, an elfin burst of lesbianism, other men and women topless but beautifully clothed below in voluminous, poppy-red skirts which make a happy change from the usual NDT garb of dreary underwear - all fea-ture. The piece is declared to be about "saving face". It looks at times like a skating

party for neurotics and I

down which the dance slides. The dancers work

with missionary zeal and huge energy. It is all very decressing indeed.



AMSTERDAM

EXHIBITION Betirs van Beriage moonstellingen Tel: 31-20-530

Pablo Picesso, Lust for Life.
Tekeningen, graffek en keramielna 1945; exhana-The display includes 60 vases and plates, and 200 drawings and 900 philosep 1

BERLIN DOMBITTON Des Bauheus-Archiv, Museum RF Gestaltung Tel:

9-30-25400278 Laszio Moholy-Nagy zum 100. Geburistag: retrospective exhibition devoted to the work of the Hungarian sculptor, painter, designer and photographer Laszlo Micholy-Nagy (1895-1946); to Dec

BONN EQUIBITION -

Kunstmuseum Bonn Tel: 49-228-776121 Willem de Kooning: Das

Whilst Leo Black can

Spätwerk - Die achtziger Jahre: exhibition focusing on the work created by the Abstract Expressionist painter Willem de Kooning in the 1980s; to Aug

COPENHAGEN CONCERT

Tivoli Concert Hall Tel: 45-33 15 10 01 Mitsuko Uchida: the planist performs works by Schubert and Berg; 7.30pm; Aug 16

DUBLIN

EXHIBITION Irish Museum of Modern Art Tel: 353-1-6718666

 Locus: Sculpture from the IMMA Collection: exhibition of sculptures from the museum's collection, with environment as the theme. All of the works refer not just to the immediate gallery space but also to more general urban, rural and cultural environments. Artists represented Allington, Juan Munoz, Richard Long and Chung Eun Mo; to Sep

EDINBURGH EXHIBITION

National Ga 44-131-5568921 Velázquez in Seville: this exhibition features early works made by Velazquez in his native town Seville, before he moved to

Madrid in 1623. The display, comprising 50 works including portraits, prints, drawings and sculpture, is centered on the National Gallery of Scotland's own Velázquez, "An Old Woman Cooking Eggs". Selected works by the artist's contemporaries elp to set the historical and artistic context for Velázquez's early paintings; to Oct 20

LONDON

Royal Albert Hall Tel: 44-171-5898212 Leonore: by Beethoven. Semi-staged performance conducted by John Eliot Gardiner and performed by the Monteverdi Choir and the Orchestre Revolutionnaire et Romantique. Soloists include Charlotte Margiono, Kim Begley, Matthew Best and Franz Hawlata. Part of the BBC Henry Wood Promenade

St Martin-in-the-Fields Church Tel: 44-171-9300089 Brandenburg Concertos by Candlelight the London Concert Sinfonia with conductor John Landor perform works by J.S. Bach, Pachelbel and Vivaldi; 7.30pm; Aug 17

EXHIBITION National Gallery Tel: 44-171-7472885 Degas as a Collector: this exhibition features Degas collection of paintings, drawings and prints. The display includes works by Ingres, Delacroix and Manet; to Aug 26

The Pit Tel: 44-171-6388891 The Painter of Dishonour: by

Calderón, in a new version by Boswell and Johnston. Directed by Laurence Boswell and performed by the Royal Shakespeare Company; 7.15pm;

LOS ANGELES EXHIBITION

Aug 19, 20 (also 2pm)

Huntington Library, Art Collection and Botanical Gardons Tel: 1-818-405-2100 Arthur, King of Britain: exhibition of manuscripts. rare books and illustrative material tracing the development of the Arthurian legend as conceived and passed down from the Middle Ages to the 20th century. On display are a mid-15th-century manuscript of the "Brute Chronicle* and early printed books such as Caxton's 1480 "Chronicle of England", a 1557 printing of Sir Thomas Mallory's "The Story of the Most Noble and Worthy Kyng Arthur and Edmund Spenser's "The

LUCERNE CONCERT

Sep 15

Fairle Queene" (1590); to

Kunsthaus Luzern Tel: 41-41-2103562 Gustav Mahler Jugendorchester: with conductor Claudio Abbado and pianist Hélène Grimaud perform works by Beethoven and Mahler. Part of the internationale Musikfastwochen Luzem; 7.30pm;

Aug 17

■ NEW YORK EXHIBITION

The Metropolitan Museum of Art Tel: 1-212-879-5500

Ancient Art from the Shumei Family Collection: a selection of works from the Shumei Collection. The exhibition features many Asian and ancient near em works of art and also Includes Egyptian, Islamic and Roman objects; to Sep 1

PARIS

EXHIBITION Centre Georges Pompidou Tel: 33-1-44 78 12 33 Gaetano Pesce: a retrospective exhibition devoted to this artist, featuring furniture, objects and architectual projects;

to Oct 7 Musée d'Orsay Tel: 33-1 40 49

 Photographies de paysages: exhibition featuring 40 19th century landscape photographs. The display includes works by Louis Robert, Victor Regnault, Charles Nègre, Eugène Cuvelier, Karl August Bergner, George Henry Seeley and others; to Sep

SALZBURG CONCERT

43-662-80450 Wiener Philharmoniker, with conductor Lorin Maszel and violinist Frank Peter Zimmermann Concerto in D and Ravel's Daphnis et Chioë. Part of the Salzburger Festspiele; 8.30pm; Aug 18, 19 (8pm)

STOCKHOLM EXHIBITION

Moderna Mu Modern Art Tel: 46-8-6664250 Hiroshi Sugimoto, photographs: a small retrospective exhibition, including

approximately 50 works from the Seascapes, Nightscapes, Drive In Theatres, Theatre Interiors, Wax Cabinets and Dioramas; to Sep

■ WASHINGTON EXHIBITION National Portrait Gallery Tel:

1-202-357-1915 1846: Portrait of the Nation: in celebration of the 150th anniversary of the founding of the Smithsonian Institution, this exhibition describes the political cultural and social character of America in 1846 by focusing on the leading figures of the time. John Quincy Adams, author and protester Henry David Thoreau, reformer Dorothea Dix, Cheroke chlef John Ross, Mormon leader Brigham Young and others are depicted through paintings, sculpture, prints, silhouettes and

Listing compiled and supplied by ArtBase The International Arts Database, Amsterdam, The Netherlands. Copyright 1996. All rights reserved. Tet: 31 20 664

daguerreotypes; to Aug 18

Swinging sixties sanitised

Musical

lvis Presley, Roy Orbison, Patsy Cline, Buddy Holly - is there no escape from the cod musical purporting to tell the life of rock legends through their music. Sadly, I fear not. The formula is too cheap, the public response too credulous, for producers, specially the amiable Bill Kenwright, to resist.

Now Gerry Marsden, as in Gerry and the Pacemakers, gets the treatment - two hours of early rock and roll hung about with some banal moralising. Ferry Cross the Mersey does add one unique twist to the genre. Unlike the precursors Marsden is still alive and active, in fact larger than life since he bears an uncanny resemblance to Eddie Large. This enables him to wander through his story, guitar at the ready, giving advice to

If you are of an age it is hard not to get some mild diversion from hearing, and singing along with, the cheerfully optimistic hits of the early 1960s. Some, like "Please, please, me" now sound banal; others, like "Sorrow", offer forgotten pleasure. But apart from the music, production values

his younger self, cheekily portrayed by Carl

T he problem is that Gerry and the Pacemakers were always in the shadow of the Beatles. They went to Hamburg, like the Beatles; were managed by Brian Epstein, like the Beatles. Not one fresh or intriguing fact comes out of this anaemic review of the Marsden story. It ends in 1963, the year the group had three successive number ones. What happens to a fading rock star might have some interest, but it was not

to be. The main criticism is the sanitised version of the era. Marsden was a virgin whea childhood sweetheart assures us that everyou was great and that life has

Kenwright is booking them into a theatre near you.

> Antony Thorncroft

Clement Crisp At the Lyric Theatre, W1.

WORLD SERVICE BBC for Europe can be received in western Europe on medlum wave 648 kHZ (463m)

EUROPEAN CABLE AND SATELLITE BUSINESS TV (Central European Time)

MONDAY TO FRIDAY NBC/Super Channel:

FT Business Morning

10.00 European Money Wheel Nonstop live coverage

until 15.00 of European

business and the

financial markets 17.30 Financial Times Business Tonight

CNBC: 08.30 Squawk Box

10.00 European Money Wheel

18.00

Financial Times Business Tonight

since the 1992 recession.

surface there has been a big

improvement in labour mar-

recovery of the 1990s claim-

ant unemployment has been falling, while in the corre-

sponding period of the 1980s

recovery, it was still rising.

But the difference is more

than accounted for by the rise in "inactivity" - people

of working age, who were neither recorded as working

nor as claiming unemploy-

ment benefit (a phenome-

non discussed in my Eco-

nomic Viewpoint of July 4).

The total of unemployed

plus "inactive" is sometimes

known as the "non-employed". The number of

non-employed of working

age reached a peak in 1994

and has fallen only very

slightly since. The stagna-

tion in the demand for

labour is confirmed by esti-

mates of total hours worked.

which after rising in the

early export-led stages of

the present recovery have

hardly changed since the

These findings fit in well

with the moderate response

spring of 1995.

Economic Viewpoint · Samuel Brittan

Bank argues with itself

Apparent discrepancies between a weak labour market and inflation warnings from other data have stimulated a search for new rules

The Bank of England Inflation Report is too much earnings to economic recovdiscussed in terms of its ery. They might indeed suggest that there is plenty of beadline inflation projections and the clues it may room for a faster rate of outgive to forthcoming confrontations with Kenneth put growth before inflation is triggered off. This is espe-Clarke, the chancellor. It is cially so if, as the Bank mainly worthwhile for its seems to believe, the labour economic analysis. market reforms of the We already knew before Thatcher period now enable the August report that the the economy to be run at a

Bank was more worried higher level of activity. than the chancellor about The Bank's labour market the risks of inflation exceedanalysis can just about be ing the official target two reconciled with its inflation warnings by saying that the latter are based on vears from now. But much more interesting is the Bank's labour market analyforward-looking indicators, sis, which seems at first while the labour market sight to point the other way analysis refers to the recent past. The one available forward-looking labour marto the rest of the Inflation Report. For the contention of the labour market chapket indicator, the ratio of ter is that, despite the large vacancies to unemployment, fall in claimant unemployhas indeed risen sharply. ment, the labour market has Domestic demand is

not tightened very much already growing strongly, even though activity is held back by abnormally low stock building and the stag-The important conclusion is a structural one. On the nation of export demand from Europe. These bearish ket responsiveness. In the factors, together with the low cost of materials in the pipeline, should keep inflation on a falling path well into 1997. But the Bank fears that inflation could turn up again after the election, due by the spring.

Consumption is likely to be stimulated by a faster rise in real disposable income, higher personal wealth and windfall gains from sources such as building society payouts. Broad Jobiessness and growth

But having said all this, both the financial markets and the economic forecasts are capable of being wrong: and one should not dismiss too casually the bulk of the evidence of the labour mar-kets. The Bank itself is sufficiently sensitive to the risks to have examined in its bulletin some recent sugges-tions for automatic feedback rules which would make policy less dependent on

official discretion.

monitoring range and nar-

row money is well above

official range. The fiscal def-

icit is 3 percentage points

higher as a proportion of

gross domestic product than

forecast 21 months ago.

Five-year and 10-year infla-

tion expectations derived

from the gitt-edged markets

are 41/2 per cent to 5 per

is the Taylor rule. This makes interest rate policy depend on an estimate of the equilibrium real rate of interest adjusted for actual inflation, the difference between that and the official target, and the capacity gap. The economic relation-

One of these suggestions

ships are plausible. But as an operating rule it seems to me fundamentally flawed because it involves guesses about highly controversial and unobservable magnitudes, all piled on top of each other. If we knew them it would be much easier to other desired policy instru-

of both nominal and real money is rising at the top forecast inflation directly end of the government's and without throwing away other information. It is difficult to believe that Alan Greenspan's Fed uses the Taylor rule as its main guide to policy - although no doubt its staff calculates what it might prescribe.

The other rule studied by the Bank is known as the McCallum rule. It requires policy to be adjusted according to whether the growth of nominal GDP exceeds or falls short of some target rate. The rule's attraction is that it will inhibit an inflationary takeoff and a cumulative recession. It does not claim to provide a constant year-to-year inflation rate.

A weakness of the

McCallum rule is that the

policy instrument, in terms of which it is expressed, is narrow money or M0 - ie cash plus bankers' monetary deposits at the Bank of England. The equation embodying the rule allows for very gradual changes in the velocity of the monetary base. But it still depends on a reasonable stability in the ratio of that base to nominal GDP. It is a hazardous instrument to rely on in a country like the UK where there are no compulsory reserve ratios and in which

fraction of broad money. The McCallum rule could, expressed in terms of nominal interest rates or any

the monetary base is a tiny

an eye on domestic demand. sion, it is not desirable to force central bankers to become robots following equally undesirable to leave them unfettered discretion. The need is for guidelines related to available information which will point the direction in which policy should go. A heavily modified version of the McCallum rule would give a better steer than the inflation projections two years ahead by which the Bank

damental difficulty. The object is to influence the total of cash spending in the economy in so far as it is under the influence of policymakers. Nominal GDP is the best known measure of such cash expenditure and I have used it as a deliberate over-simplification because at least a few participants in the policy

debate have heard of it. But, whatever the case in the US, it will not really do in the more open mediumsized European economies. Here the best measure of nominal demand is what the statisticians call "domestic demand". This excludes the export sector and is there fore more under the influence of policymakers.

The second chart, repro duced from the Inflation Report, shows the difference in a very practical way. Nominal GDP has been growing at about 4 per cent a year, below the Bank's illustrative target of 5 per cent. But nominal domestic demand has been growing at 5% per cent a year and is probably accelerating. This is the basis for saying that current policy is more likely to be too relaxed than to be too tight. In old-fashioned

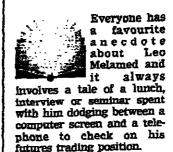
language: the government cannot control export demand, but should at least see that there is room for it in the economy when it arrives. This means keeping As a more general concluautomatic rules. But it is

claims to be guided.

BOOK REVIEW - Deborah Hargreaves

ESCAPE TO THE FUTURES: By Leo Melamed with Bob Tamarka John Wiley & Sons, 463pp, £17.95

Founding father with messianic zeal



He says himself that he never let anything stand in the way of trading the markets". Once he called at 5am from a bospital bed before having tests on his gall bladder - and he refused to have the tests until trading stopped eight-and-a-half

hours later. Melamed is the quintessential trader, everyone's idea of a futures dealer. a loud, brash, opinionated risk-taker. But as the driving force behind the Chicago Mercantile Exchange for 25 years, he is also the founding father of financial futures, a development which has changed the face of international finance.

He is not modest about his achievements: "I used to joke that I had to come on the floor every day to show the crowd that the legend really existed," he says. And he talks with messianic zeal about his "mission". His autobiography is a his-

tory of Chicago's financial futures trading: from the early 1970s when the Bretton Woods agreement was still in force and individuals were not even allowed to trade in currencies, to the 1987 stock market crash which saw grown men crying in the gents' tollet at the Merc.

But just as fascinating is the account of the Melamdovich family's flight from war-torn Europe. As Jews in Poland in 1939, his family had to be constantly on the move to outwit the authorities. The eight-year-old Leibi - later Americanised to Leo-- fled from Poland to Lithuania, across Siberia to Vladivostok on to Japan and though at the time he was

It was a haphazard, frenetic struggle for visas and tickets that meant the difference between life and death to Jewish families in 1940. But to the young Melemed, it was an adventure during which he learnt four new languages in two years.

His painful attempts to become accepted in the US. his adopted land, as a shorter-than-average Jewish boy who spoke Yiddish and could not play baseball are echoed later in the book by his struggle to gain credibility and ultimately respectability for financial futures.

Business Week halled the nascent currency futures market opened in 1972 as "strictly for crapshooters" and the image has persisted in the minds of some bankers and regulators. He was an outsider press

ing an upstart new product currency futures - on to the blue-blood establishment world of US banking. It was no surprise to him when one of the early supporters of his new market presented him with a 1,300ft computer printout showing how the cumulative risk produced by currency futures would one day bring down western civilisation. There are many who still share that opinion.

That apocalyptic view seemed almost vindicated in 1987 when the Merc's stock index futures became the scapegoat for the October 19 stock market crash. Melamed describes the witch hunt in his usual style: "I could feel the earth beneath the Merc's building shudder as enemy forces gathered to invade. We were about to enter the hattle of our lives."

But Melamed's habit of courting influence in Washington for many years paid off. He managed to fend off overly restrictive legislation on-the futures market. And he headed off criticism of Chicago in the 1989 FBI "sting" on the markets even

Everyone has finally to the US, receiving many anonymous

wrongdoing.
Melamed fell into futures by accident, as a law student in Chicago, when he answered an ad for what he thought was a law firm -Merrill, Lynch, Plerce, Penner & Bean - requiring a "runner". He found himself at the Merc - a place be had never heard of and which he describes as "Alice through " the Looking Glass into a world of not just one Mad Hatter, but hundreds".

After 15 months at the Merc, where he graduated to a phone clerk, he started trading on his own account. He soon ran up a loss, but never looked back. Melamed rapidly became an important figure in exchange politics, taking the Merc from a third-rate marketplace trading eggs and onions - which he jokes could be manipulated by a couple of housewives getting together - to the forefront of financial

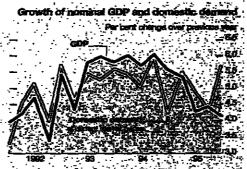
futures trading. Melamed retired from the Merc in 1991, but he continues to be a tireless supporter of futures trading. His book is an intriguing

insight into one of the world's last bastions of open outcry trading and will be read eagerly by insiders. But Bob Tamarkin, a

well-known Chicago Journalist, who co-wrote it, has not been tough enough with Melamed's hyperbole. The book would have been better for being half the size. Its 463 pages are stuffed with the names of traders, regulators and lawmakers, limiting its appeal to the lay reader and making it easy to lose track. At one point Melamed seems to compare the creation of futures to the invention of fire: futures may be important, but not that important.

Escape to the Futures is available from FT Bookshop. Ring FreeCall 0500 418 419 (UK) or +44 181 964 1251 (out-

Unemployment and non-employment rates Per ceral _30.0



The Landmark London

INDIVIDUAL You

It doesn't matter to us how you get here, as long as you feel you've

inticipation, as the saying has it.

Except, that is, when your final destination is The Landmark London. Here, at last, is a five star hotel that lives up to all your expectations.

Built in 1899, and impeccably restored in 1993, it has all the visual pomp and circumstance of a grand London hotel. But, in terms of service, none of the pomposity. Instead, we treat you,

our guest, the way you'd

SUMMIT



expect to be treated by your friends and colleagues - as an individual.

So while our staff will always be friendly and helpful, they'll never be intrusive.

In terms of service, individuality translates into choice. From the range of rooms we offer so the range of drinks

Even in the way you dine. (With appropriate formality in our gournet Dining Room. Or, more informally, in

in our Cellars Bar.

The Winter Garden). But then, that is what is so individual

It's a relaxing and thoroughly pleasant

place to stay. Which perhaps is not so surprising. When you're here, all we ask you to do

is be yourself,





FOR INFORMATION & RESERVATIONS, SPE A TRAVEL AGENT OR CALL US DIRECT ON HIT IS HOM QUOTING REF FT THE LANDMARK LONDON, 222 MARY LEBONE ROAD, LONDON NWI HQ. ENGLAND

LETTERS TO THE EDITOR.

Number One Southwark Bridge, London SE1 9HL We see keen to encourage leaves from readers entered the world. Letters may be fixed to +44 171-873 5936 (please set fax no fixed), emails letters efforce to come Published letters are also available on the FT web site, http://www.FT.com
Translation may be available for letters within in the main international languages.

Software exists to keep children | Largest away from adult Internet sites

From Mr Mike Parr. Sir, It appears that Scotland Yard would like Internet service providers to act as unpaid guardians of morals by enforcing the subjective standards of others ("Internet porn may be blocked". August 10) How this is to be achieved is

First, no clear definition of pornography" exists. One person's erotic picture is another's pornographic image. Doubtless Scotland Yard will bring its usual clarity to this issue.

Second, as your article points out, there are more than 20,000 Usenet groups (and growing). Of these, a few thousand refer in one way or another to sex. This is not a stable, easily monitored population. Thus, compiling a list of sites 'forbidden" to adults is pointless. Of course, if the police want to provide

From Mr Roger M. Bale.

Sir, It can only be a

question of time before

Railtrack discover that by

removing the tracks from

under-utilised routes, they

can provide a toll road on

lorry companies etc. can

a grade-separated route,

public upon which they

70mph away from the

This traffic will not

require government

Roger M. Bale.

Bocque Berg,

Jersey JE2 6FT, CI

St Clement

can travel at a constant

fenced off from the

which all the bus companies

Each could pay a common

access fee (toll) to operate on

service providers with a regularly updated, comprehensive list of "naughty" sites we will be happy to use it.

However, for reasons given above, the police may find that this is pltimately futile. Demon is correct in stating that police efforts and threats simply hide a global problem which will not be resolved by local, poorly thought out initiatives carried out under

If the police are concerned about keeping children away from such content and cutting out child pornography there is good news. A wide range of software exists which gives good results in keeping children away from "adult" sites. Any half responsible INP offers such a service as part of its basic package. Concerning child

pornography, as a provider

we welcome input from all quarters regarding Usenet groups that deal in this. We have no compunction in making these groups inaccessible. Furthermore we would pass any information gained from our

subscribers concerning these sites to other service providers and to the police. I believe that the above approach represents a realistic response to the two most pressing issues for the Internet in general and

service providers in particular. Concerning the rest, many people may find many Usenet groups objectionable. The simple answer is not to visit them. Mike Parr, marketing director,

SAQ Network Services Ltd. Unit 162. Lee Valley Technology Park, Ashley Road, London N17 9LN, UK

Electronic shopping On track to provide a From Mrs Celia Hampton. Sir, The failure of toll road

electronic shopping to take off ("Warning over on-line shopping", August 12) is deeply disappointing to those of use who dread the weekly trudge around the supermarket. Glittering Internet sites

with virtual sisles and trolleys may be going too far. A more modest plan that really helped the reluctant shopper might get the ball rolling.
At least half the things

one has to buy each week are either branded items or commodity goods (eg bin bags). The rest - bread. greengrocery, meat, fish, cheese - would be much more agreeably and satisfactorfly bought in

be made off-line through a

subsidies and will provide a smaller shops. level platform upon which The brand/commodity true competition can take shopping list could be e-mailed to an electronic warehouse for collection later, or the warehouse could deliver it to the home. Payment could conventional store

This is not a futuristic solution. In 1992 a Spanish acquaintance living in Paris and working in Brussels told me that he regularly e-mailed the local Paris supermarket on Fridays so that his weekly shopping was waiting for him when he got home for the weekend.

Perhaps the supermarkets are developing a plan along these lines, but it seems unlikely. It would not accord with retailing economics as perceived by the buying public.

On the other hand, it might persuade us to become less sceptical. It is a pity that we may never learn any better. At £795, the consultancy report featured in the news item will hardly be bedtime reading for ordinary shoppers.

Celia Hampton, editor, FT Business Law Europe, 40 Anson Road, London N7 OAB, UK

single market

From Mr Frank Jenkin. Sir, Sir Geoffrey Howe ("When it's right to resist", August 7) repeats the claim that the EU is the largest single market in the world. OECD statistics show that in 1995, on a purchasing power parity basis the economic activity of the US was more than 2 per cent greater than that of the 15 EU nations; while that of the North American Free Trade Area was more than 19 per cent

At present on this basis, the 15 EU nations produce some 20 per cent of world economic output. By the year 2100, that share will have shrunk to some 11 per cent on differential population growth alone, and to some 10 per cent allowing for even a small amount of catching up in living standards by the developing

Frank Jenkin Rookery Lodge, Tregenna Fields, Camborne, Cornwall TR14 7QS, UK

Numbering system

From Mr Garth E. Astroopth. Sir, I note with interest the confusion and acrimony arising from the interference with and changes to the UK national telephone numbering system (Telephone users face numbering overhaul, August

It may be of interest to know that a similar problem of a shortage of lines in Italy's major cities was resolved by the simple act of increasing telephone numbers in some areas to eight digits and, quite rightly, leaving city codes unchanged.

Garth E. Ashworth, Piazza Anco Marzio 13, Lido di Ostia, 00122 Rome, Italy

rench b e de la comp للطنوخ يتناب - ### 医胚囊 鎌.

Ligur

क्रांच्या द्वारा होती हैं

€ 11⊈ بالنساد

A. F.

جَمِيناتِ ال

4 4 4

· OFFICE

.....

atamagita -

122 3.5<u>4</u>

.

D . .

:34.7 يعت∵سؤ ي فحهتني وبراء Jan. 74 المراجد مع المراجد أو سفوطات أثار خي المسايق 1.00 - يېڭىدىن

> . 4.0 21. Car فيقطفون والموا

> > أبطائه 487 . VI

> > > ((**3 44 M** Harris Harris

فبدقتهم

200 电影 寶 1 to 1 7.23 ⊼، چاست ---. . . . 1.00 4.5

1.22.22 جو اجرود . . . $-k = \lambda_1 \cdot \nu_2$ 4 4

> 15. 5 F

100

5.446

4.17

.

7.

- 1 m - 1 / **/ (2)**

rie g

7.5

4.5

. 10 jun

.5.

11.13

100

4.7

2.5

2.7

.

342 £

1. 1.

TH UN work from the alter

Number One Southwark Bridge, London SE1 9HL Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407, 5700 Thursday August 15 1996

A solution for French banks

opments in the saga of Crédit Lyonnais. The first is the extent to which political motives lie behind last week's announcement of a criminal investigation into the bank's former management. The second is the future shape of French banking now that it has become clear that the current rescue plan for Crédit Lyonnais will not work. By the end of September, the state-owned bank must report its first-half results. They will need to be accompanied by a revised rescue plan, probably an expensive one. Announcing criminal proceedings helpfully reminds the public that the present administration was not responsible for the problems at the bank - it was run at the time by nominees of the previ-

ous Socialist government.

Just as significantly, it was supervised by civil servants at the finance ministry, headed at the time by Mr Jean-Claude Trichet, now governor of the Bank of France. The recent jumpiness of the franc owes something to the theory that Mr Trichet is proving too independent a central banker to suit the government, and that Credit Lyonnais is a handy stick to

Such gossip should not distract attention from the practicalities of re-rescuing Crédit Lyonnais. At the moment, the bank must pay around FFr3bn a year to finance the arm's length for the future.

The GCE A Level examination.

which was once used to keep

unsuitable teenagers out of uni-

versity, has now become the tal-

isman of success for a large

In the last 30 years, the pro-portion of school children going

on to university has increased

almost sevenfold, from around 5

per cent to about a third. But the A Level exam, which was

once narrowly exclusive, has

failed to keep pace with this

revolution, despite many pro-

posals for reform. Against this background, the debate about

whether A level standards are

slipping is trivial and irrelevant.

Yesterday's figures from the

examination boards showed a

1.8 per cent increase in the over-

all pass rate. Some call this a statistic of success. Others claim it is yet another indica-

tion that the exams are being

This year, pessimists point to

the effect of modular examina-

tions, which can be taken in

stages rather than all at once.

Are such courses "easier", Or

just more motivating? Outside

pedagogic circles such argu-

ments can become sterile and

unpleasantly tainted by class

distinction. Traditionalists too

often ignore the fact that the

UK's A level standards are high

by international comparisons,

precisely because they were once designed for a small elite.

They were needed to sort prize

made easier.

cohort of British youth.

There are two separate issues "bad bank" which contains its intertwined in the latest devel- worst assets. Simply removing this burden, which is one possi ble way of getting the rescue back on track, is not enough. If the government was tempted to follow this course, it would probably not be allowed to do so by the European Commission. which forced tougher terms for the earlier rescue. =0 Brussels's instincts are right

and so are those of the rival French banks which protested at the earlier bailout. France is overbanked; the last thing it needs is a fresh burst of subsidy. for Credit Lyonnais. Finding or bribing - a foreign bank to take Crédit Lyonnais off the government's hands is also not

The best solution would be a

fire-sale: selling off the good bits of the bank to all comers, at home and abroad; auctioning the bad assets for what they are worth; dismantling the retail network and transferring chunks to purchasers to whom it would be valuable. Mr Jean Arthuis, the finance minister, is unlikely to find that a palatable recipe. But before he considers an alternative approach, he should remember that he owes the bank no favours.

France's taxpayers - and Crédit Lyonnais's: banking rivals - deserve something better than a fresh handout. Pinning the blame for the past on the previous management is no substitute for a lasting solution

cattle from the rest of the herd.

Now that the examination is

part of mass education, it must

serve wider functions. A third

of the herd cannot be expected

to be as good as a few prize

specimens, even allowing for

improved schooling and the

incentive of wider access to uni-

Narrow specialisation into

three subjects carried disadvan-

tages even for the brightes

pupils. It is entirely inappropri

ate for a broader range of candi-dates, especially those who pass

only one or two subjects. This

narrowness became even harder

to justify after GCE O Levels

were subsumed into the less ng-orous GCSE exams.

those leaving higher education

are ill equipped with skills

needed in the workplace. A first

step must be to make the mini

mum entry qualification for uni-

versity two A Levels and three

subjects at the intermediate AS

Level. This would allow plenty

of scope for abler pupils to show

their quality while enabling uni

versities to insist that all candi-

dates studied a spread of arts and science subjects...

welcome increase in the number

of AS Level candidates, but they

still represent only 7% per cent of subject entries. This is not

enough. University admission

policies must be changed to

force the pace.

Yesterday's figures showed a

Most employers believe that

A failed exam

versities.

world's large reinsurers are hard to predict.

Nor are the consequences always immediately But yesterday's \$3.3bn (£2.1bn) acquisition by Munich Re of US

ike earthquakes, take

reinsurer American Re is the result of powerful forces that require a bold response from the reinsurance industry, which pro-tects conventional insurers against the costs of catastrophes and other losses.
Stiff competition among rein-

surers has resulted in steep falls in the prices they can charge. At the same time the rising cost of disasters is encouraging consolidation into larger, more efficient units, better able to spread risks and pay the biggest claims.

The agreed deal takes Munich Re from fifth place in the large US market to a position where it can breathe down the necks of General Re and Employers Re, the largest US reinsurers.

Equally important is the fact that the deal broadens Munich Re's geographical reach, providing greater assurance that it can pay policy claims after disasters by spreading risk while continuing to satisfy shareholders. It increases, too, the German reinsurer's range of specialist skills, particularly in new, lower-cost product areas in which American Re is strong; such products are bridging the gap between traditional reinsurance contracts and other financial products.

As Mr Hans-Jürgen Schinzler, the chairman of Munich Re's management board, says: "The purchase means a great step forward for our core business."

The deal is nevertheless a surprising departure for Munich Re which, in its 116-year history, has generally eschewed acquisitions. The German group's last purchase was of Swiss reinsurer New Re in 1988. Normally it prefers organic growth. But in the past few years General Re and Employers Re have both pushed hard into Munich Re's home market of Germany; the former taking majority control of Cologne Re, the latter buying a 76 per cent stake in Frankona and much of the business of Aachen Re.

More recently, Munich Re's smaller rivals have also been building operations in the US. Last month General Re announced plans to acquire US rival National Re for \$940m. For its part. Employers Re had been tipped as a possible buyer of American Re from its majority shareholder, Kohlberg Kravis Roberts, the US buyout specialist. Munich Re - which had previously denied it was in a bidding war for American Re - appears to have recognised that a rare opportunity to boost significantly its US presence was too good to can Re share compares with a

the deal from internal finances. "They have had to address the competitive pressures just like everyone else," says Mr Michael Butt, chief executive of Mid Ocean, the Bermuda-based rein-

share price of about \$50 at start

of August. Munich Re will, fund

Those competitive pressures result from more than just jostling among the ranks of the largest reinsurers.

Across the sector, prices are falling steeply. The past few years have been relatively free of catastrophes - the January 1995 Kobe earthquake in Japan was an exception but most of the cost was not covered by insurance policies. The fall in claims paid by reinsurers has led to a rapid strengthening of balance sheets, marking a dramatic turnround from the early 1990s when many

insurers reported losses. Stronger finances have, in turn, encouraged underwriters to lower premiums to build or main-

A premium on size

Ralph Atkins on the pressures facing the global reinsurance industry after Munich Re's \$3.3bn deal

reinsurance policies renewed in January fell by as much as 20 per cent or more, pushing prices to levels many in the industry fear will prove unprofitable.

Competition has been fuelled by the maturing of the reinsurance market in the Bermuda tax haven. Initially established to fill market gaps left by the difficulties at Lloyd's of London, the Bermudian reinsurers have grown rapidly and are now seeking to build a global presence. If Lloyd's succeeds in implementing its recovery plan this month, it will be keen to build on the revival in its fortunes.

Consolidation in turn may have accelerated price falls. When mergers take place the big combined grows have been seeking economies of scale which allow them to offer their products on more competitive terms.

Although reinsurers - unlike other financial services providers are not labour intensive. Munich Re expects significant cost savings from using its considerable financial muscle to refinance American Re. This would cut borrowing costs and reduce the amount spent on "retrocession" - in effect, reinsur-

ance for reinsurers. For their part, some smaller reinsurers faced with the threat from increasingly big rivals seem to have decided to make preemptive moves to retain business by cutting their rates first. At the same time, customers

have realised there is a buyers'

demanding. Mr John Pelly, chairman of non-marine reinsurance at Willis Corroon, the insurance broker, says reinsurers are having to offer an increasingly sophisticated range of products to insurers aware that conventional insurance exposures are only part of the risks to which they are vulnerable. "They are going to have to absorb other types of exposure - to interest rates, currency movements and

This is another reason why Munich Re was attracted by American Re. The US reinsurer's tradition of dealing direct with customers, rather than via brokers, gives the enlarged Munich Re greater scope for selling a wide range of reinsurance and financial products.

merican Re also specialises in providing reinsurance to organisations such as public authorities which are increasingly avoiding buying insurance from normal suppliers. Instead they are setting up their own low-cost "captive" insurers, often offshore, American Re then provides reinsurance protection against the biggest losses that the "captives"

could not afford themselves. The paradox reinsurers face is that, despite the fierce competition, there is insufficient capacity in the reinsurance market to faced by mankind. The cost to

BSERVER-

ing fast as humans build larger, more expensive buildings in areas prone to flooding, storms or other perils - and buy more insurance to cover the risks.

A hurricane sweeping through New York or a large earthquake in California could cost \$100bn or more. In the absence of such catastrophes, many underwriters are happy to cut rates. Were a disaster to strike, many would go out of business.

Such a fate would hardly befall Munich Re. The book value alone of its investments is DM111bn (£50bn) - more than enough to cover its share of the most costly disasters. Almost certainly the market value of its assets is significantly understated by conservative German accounting.

But by teaming up with Ameri-

can Re - which has total assets of more than \$8bn - Munich Re is giving its book of business a more balanced look. The impact of a large disaster in its home markets in Europe would - it hopes - be offset by profitable opportunities in north America, and vice-versa. About 80 per cent of American Re's business comes from the US. Its takeover will raise Munich Re's share of the country's reinsurance market from between 3 and 5 per cent to about 15 per cent.

A long-term threat faced by Munich Re and other reinsurers is that the lack of capacity to cover the biggest disasters will cover the cost of the largest risks prompt the development of other means of absorbing risks - prod-

Bob Dole's running mate.

Baseball, on the other hand, is

not only taking a back seat but

is even being forced out of town.
The San Diego Padres,
unrecally in first place, have

been forced by the Republican

parity's convention to switch

their home stand to Monterrey,

season major league games have been played outside the US or

of sorts for Fernando Valenzuela, the once legendary

pitcher, now in the middle of a

good season for the Padres. Of

coursé, given the xenophobic

their poster boy.

Old pals act

concerning the current Republican party shenanigans.

The Financial Times of course is

And a final odd note

mood of much of the Republican

right, Fernando would hardly be

and now ancient Mexican

That makes for a home coming

Merico - the first time regular

tain their market share. Rates on market and are becoming more insurers of large disasters is ris- ucts which if successful might eventually undermine their core reinsurance business.

> In the past month it has emerged that USAA, one of the largest US motor and household insurers, is attempting to sell about \$500m in bonds on the US capital markets, on which the returns will depend on the incidence of hurricanes. Although such products have been mooted for some time, USAA is the first to invite ordinary investors to become involved. Holders would surrender their principal if USAA has to cover more than \$1bn in claims caused by a single hurricane in the next year.

If successful, USAA would in effect bypass the reinsurance market by covering the biggest risks direct from capital markets Such schemes are designed to

provide cover that reinsurers, determined to cap their total exposures, are reluctant to provide. But if they proved cost-effective and sufficiently flexible, they could cut demand for traditional reinsurance - increasing downward pressure on prices. Mr Michael Butt of Mid Ocean says: To say that it is a risk to the industry is really to extend the potential to incredulity at this stage. But things happen very quickly in financial markets."

By seizing the chance to buy American Re, Munich Re yesterday signalled its determination to remain pre-eminent in the reinsurance business - come storm, flood, earthquake or further industry restructuring.

Bosnia's vote

When Mr Flavio Cotti, the Swiss war criminals are still at large. foreign minister and chairman-in-office of the Organisation for Security and Co-operation in Europe, gave the green light in June for elections to go ahead in Bosnia on September 14, he warned that certain minimal prerequisites would have to be met in the interim. They included freedom of movement, expression and the media, freedom of association, a politically neutral environment; and, above all, elimination of "direct or indirect exertion of influence

by indicted war criminals". Those conditions have not been faifilled, and will not be so long as the current nationalist leaders are in control in each of the three zones into which Bosnia is de facto partitioned, because the effect of fulfilling them would be to make the elections a reel challenge to those leaders' power. They will not give up power voluntarily. But the US, after years of scathing criticism of the previous UN force for its neutrality, has now imposed a similar neutrality on

the much larger and more heavily armed implementation was (ffor). As a result, Ifor has acted as an agent of partition, not of mintegration. Virtually no refustante cleansing has continued with the expulsion of the few ismaining Crosts and Moslems from the Serb zone. Indicted age to use against them.

There is no freedom of movement between the entities, and no freedom of expression for those who oppose the ruling parties. The political environment is anything but neutral and the Serb authorities are using the electoral registration process to consolidate their hold by putting pressure on dis-placed Serbs to vote where they now are rather than in their

original homes. The September 14 deadline would have been valuable if it had been used to concentrate minds on creating conditions for free and fair elections. That has not happened, because the impression has been given that elections would be held whether the conditions were fulfilled or

not. The International Crisis Group, an influential monitor ing body, was therefore right yesterday to call for the elec-tions to be postponed, and to propose a new, phased electoral schedule, so that (for example) the proposed new Bosnia-wide TV network has at least three months of normal operation in which to "open the minds of viewers". If elections go ahead in present circumstances they will simply consolidate and legi-timise the leaderships in the three zones, leaving the international community with no fur-ther credible or effective lever-

From rags to policewomen's uniforms, and we would have no difficulty for any riches

M II Rome's invescipal traffic cops can look elegant, why not those nighly visible people rushing around on the backs of rubbish trucks? The eternal city's

dress conscious mayor, Francesco Entelli, has been trying – without much success so far - to recruit the Italian fashkon industry to design a set of clothes for his rubbish

The nim is to have the smart geer ready for when Rome is on above to celebrate the jubiles year of 2000. Earlier this year approaches were made to four fashion houses, including Fendi and Valentino. When they apparently spanned the challenge, the net was cast wider to include such names as Ferre

and Dube & Cabana. According to Mario Di Carlo, head of the municipal cabbish collection company, flier also smobbed the invitation to come up with three separate types of 'look' for the different grades of work. Threats of going outside Italy

eem to have induced a greater willingness. Yesterday two fashion houses claimed they had never-even received the . invitation. Carla Fendi, head of the family business, said: "In the past we've designed the local

would have no difficulty for any type of city cleaner (rubbishperson). We're only waiting for a clearer request before deciding."

Run out of luck ■ Good news for those Czech Olympic athletes who, Observer reported last week, weren't going to be paid all of their

promised bonuses - amounting to a chunky Kcs445m - for winning a remarkable 10 medals The Czech Olympic Committee
- o ye of little faith - had not
expected its team to do as well as it did, and ran out of money

Now the Czech National Bank, along with Komerchi Banka, IPB and Caska Sporitelna, will chip in sufficient cash to see them It's nice to know some Czech

banks still have money to throw around. Last week the CNB decided to shut down Kreditni Banka, with losses of Kcs12bn.

Manuel's labours South Africa's finance minister. Trevor Manuel, is developing a knack for getting into hot water. His latest escapade involves the local national deity - rugby.

New Zeeland's All Blacks beat

South Africa's Springboks 29-18 at last Saturday's test in Cane Town. President Nelson Mandela is a staunch Springboks supporter but Manuel - no mean rugby player in his youth. apparently - rooted for the All

rugby fans.
The news has been badly received in the gilts market. Johannesburg paper Business Day reported one market -stalwart saying: "It's a disgrace. The guys wanted to sell as soon as they heard it. If is a free country, why doesn't be allowme to vote with my Rands by

Blacks, shocking the nation's

scrapping exchange controls? What's behind Manuel's defection? South Africa's press have reported him as saying he was "no white South African". South Africa's selectors have not made it any easier to line up behind the Springboks with their decision to include in the squad Henry Tromp, convicted in 1994 of assaulting a blac labourer who later died. aulting a black Yesterday Mandela stepped in and is due to hold what is

discussion" with Manuel Could morce e strum. Who's on first? Football metaphors are all

over San Diego in the US this

in the pocket of no US

esidential candidate. But in the interests of disclosure one fact should be noted.

Back in the early 1980s, before the paper began printing in the US, and when it arrived in Washington DC several days late, our total circulation on Capitol Hill was precisely one. It went to Congressman Jack week, following the choice of the went to Congressman Jack Kemp, as Kempt Bhough said.

Ginancial Times

100 years ago

Washington The deficit of the United States Treasury for the first 45 days of the fiscal year was about a million dollars daily. Up to the present, the deficit for this month amounts to \$1,505,565. The withdrawals of gold from 4th to 13th August amounted to \$3,988,000.

50 years ago

Warning to exporters Evidence that buyers of British goods abroad are becoming more discriminating is quoted in a circular to members of the Wholesale Drapers' and Hosiers' Export Group as a warning against unloading goods of inferior quality on overseas markets. The circular states that complaints have been received, particularly from the Scandinavian markets, about the quality of the goods received and the prices charged. The Group points out that certain European countries are get-ting back into production and that British exporters will soon find themselves up

against keen competition To mest such competition and to develop our markets in Europe close contact with overseas customers is urged. with visits by responsible

. . 4 1 2 1 3 4

EDITOR

ildren

ditty

Largest

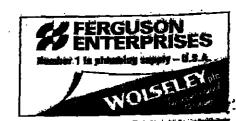
single

market

Sumberit

System

(CKUCHE)



Bosnia and Croatia to strengthen alliance

and Kevin Done in London

US Secretary of State Warren Christopher yesterday won assurances from the presidents of Croatia and Bosnia that they would shore up their shaky alliance a month ahead of Bosnia's first post-war elections on September 14.

The assurances came after an influential pressure group called for the Bosnian elections to be postponed. The International Crisis Group, chaired by Mr George Mitchell, the former US Senate majority leader, said there was "no way the elections can be considered to be evan remotely free and fair" as mandated in the Day-

under current conditions, the elections would turn the Dayton agreement into "an ethnic

if they were carried out

Dayton peace accords which threaten to scupper elections, seen as a crucial test of Bosnia's future viability, Mr Chris- for refugees. Separately, Serbia

By Michiyo Nekamoto In Tokyo

The abduction of a Japanese

executive in Tijuana, Mexico.

has shocked the business com-

munity in Japan and reawak-

ened public concern over com-

panies' security and crisis

Sanyo Electric, the Japanese

electronics maker, said yester-day no progress had been

made with the abductors, who

are demanding \$2m for the

release of Mr Mamoru Konno,

president of Sanyo Video Com-

iary of the Japanese company.

pared to pay the ransom but

has not been able to contact

the kidnappers since Saturday

night, when the company

learned of the abduction.

nents, a Californian subsid-

Sanyo is believed to be pre-

the presidents of Bosnia, Crostia and Serbia to Geneva

in a joint statement issued after the emergency summit. President Franjo Tudiman of Croatia and his Bosnian counterpart, Mr Alija Izetbegovic, yesterday reaffirmed their commitment to "strengthening the Federation as the cornerstone of the peace process". Under the Dayton plan, the Moslem-Croat Federation.

administers 51 per cent of Bosnia, leaving the rest to Republika Sroska, the Bosnian Serb Under yesterday's agreements, the Croat government will dissolve a breakaway

Croat region, while the Bosnian government will devolve more power to the Moslem Croat Federation by the end of Another agreement, also

In an effort to resolve numerous violations of the Dayton peace second the Dayton accords, which call for freedom of movement and media, and the right of return

Japan shocked by kidnap

of Sanyo chief in Mexico

car park as he was about to

leave a company baseball

Japanese diplomats and Sanyo officials are reported to

have urged Mexican police yes-

terday to be careful to avoid

The incident comes just a

week before Mr Ryutaro Hashi-

moto, Japan's prime minister.

is scheduled to visit Mexico,

and during a week-long sum-

mer holiday for many corpora-

Many Japanese manufactur-

ers have set up operations in Mexico, which has offered an

attractive production base for

companies seeking to lower

The manufladora industrial

district along the US-Mexico

border, including Tijuana, has

drawn substantial investment

negotiations between foreign institutions and unions. How-

ever, foreign bank managers

tated by the CLAs because of

have been increasingly irri-

the time consumed in negotia-

tions. Local banks do not have

CLAs as their workers do not

The dismissals surprised the

union, which is part of the Ali-

Indonesia Workers Union, the

only one recognised by a gov-

ernment which keeps tight

control over organisation of

have unions.

Mr Konno was on his own from Japanese electronics and murdered in Costa Rica

costs to remain competitive.

endangering Mr Konno's life.

game on Saturday.

that they would bold elections on November 3 for their

shared federal parliament. The three Balkan leaders reaffirmed their Dayton promise to work together after elections for the "rapid establishment" of joint governing institutions to join the Moslem-Croat Federation and Republika Srpska in a loose

Mr Christopher urged both Mr Milosevic and Mr Tudjman comply with the Dayton agreement to hand over indicted war criminals to the UN tribunal in The Hague. In an ominous sign for the prospects for co-operation within the Moslem-Croat Federation, Mr Kresimir Zubak, the Croat president of the Federation, failed to turn up at

sterday's summit in Geneva Forged by Washington two years ago, the Federation remains fragile. Numerous agreements - including the creation of a joint army - have

Editorial Comment, Page 9

tage of the tax exemptions on

components imported from the

US and on finished products

sions, video recorders, refriger-

ators and batteries in Mexico.

has one of the largest

operations in the country. All

the big names in electronics.

from Matsushita to Sony and

Toshiba, are represented there.

Japanese companies have

strengthened their security

precautions in recent years,

particularly after the abduc-

tion in 1986 in Manila of a Jap-

Matsushita has a security

anese manager at Mitsui, the trading company, which caused widespread alarm.

training programme for staff

and has been more aware of

the dangers since the president

of its subsidiary was abducted

Sanyo, which makes televi-

exported back to the US.

Blow for Thai PM as partner pulls out of coalition

By Ted Bardacke in Bangkok

A central member of Thailand's ruling seven-party coalition pulled out of the government yesterday, casting loubts on the future of prime minister Banharn Silpa-archa, whose administration is fightng off a wave of corruption allegations and economic

Mr Thaksin Shinawatra, a telecommunications tycoon and leader of the Pslang Dharms party, the third big-gest member of the ruling coalition, said his party was leaving the government because "it had listened to the

Two other parties, the Muon Chon and Nam That, said they were also considering pulling

The PDP's move came a day after the Thai cabinet blocked the finance ministry from awarding new domestic banking licences until a special committee had investigated allegations by the minister that bribes were paid during

the licensing process.
The PDP's withdrawal leaves the government with a slim majority in Thailand's 391-member parliament. The government would lose its majority if Nam Thai and Muon Chon withdrew from the coalition.

Mr Banharn may pre-empt this by calling new elections. A simple loss of his majority could pave the way for General Chavalit Yongchaigudh, the coalition's second largest party, to try to form a new government without going to

Mr Banharn asked the PDP which pulled out of the government once before only to rejoin it a few days later, to reconsider its decision. Palang Dharma should not abandon the government at a time of crisis like this," he

Opposition politicians said the PDP was unlikely to heed Mr Banharn's call, arguing that the party believed the government would collapse soon and did not want to be ed with it during a me confidence debate in parlianent. "They are jumping off a sinking ship, hoping to avoid drowning." an expesition Mi

Mr Banharn is a skilful political survivor and his gov-erument is expected to last through the present debate over the budget bill. He will then have to negoti-

ate a host of contentious issues over the next six weeks. Rach issue could prompt the prime minister's resignation. restruffle within the coalition or a dissolution of parlia-ment leading to an election.

Munich Re's \$3.8bn acquisition of American Re may not dilute earnings, but that is hardly a proud bosst. It is true buly because the German feliciantaite giant's earnings are so pitiable in the first place. Munich Re's "true" return on equity – after estimating its hidden reserves – is shout 7 per cent. American Re's returns are over 20 per cent but, because the German Murdband remourars ENTER POR per cent that, because the German group is paying 3% times book value, if will barely earn 8 per cent on its investment. If Munich Re is to add value for its shareholders, it needs to make roughly double that. The acquisition will merely institutionalise its sub-par earnings. This is not to deny that the deal has some strategić logić. Munich

nas some strategic logic: Munich Re, an old-style reinstiter, could gain expertise from the more innovative American Re. Sheer size and better geographical balance should also allow if to spread risk more effectively. But benefits from these sources will be counterbalanced by soluters with the confidence of the front 27 per cent to nearer 35 per cent. Investors should also be concerned that Kohlberg Kravis Roberts, the buy-out fund which is American Re's majority shareholder, has fattemed it up for sale. Munich Re may well want to build up its US position. But it could have done that more cheaply if it had expanded organically instead of pulling back in the 1980s. The worry now is that it is more concerned with empire-building than improving shareholder value.

French franc

Mr Alain Juppe may have disnissed recent franc weakness as a storm in a test-cup, but the French prime minister still saw fit to interrupt his holiday to say so. He was right not to be complacent. The franc is not in crisis, but it could yet go that way.

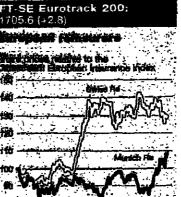
Born without France is inconceivable, yet spending overruns and weak revenues make it ever more imurchable that it can qualify without some fudge. So long as this tension persists, markets will be very sensitive to any signs of weakening commitment to the franc fort and Emo from French politicians.

President Jacques Chirac's criti-

cism of monetary policy last month played to precisely these fears. So too do rumours of a rift with Mr Jean-Claude Trichet, the central bank gövetnör.

The next big hurdle for the franc will be next month's budget. Insuffi-

Munich Re-gresses



THE LEX COLUMN

cient fiscal stringency will unnerve the markets. But with unemployment over 12 per cent and growth stagnant, stiff medicine could drive people on to the streets. Neither scenario augurs well for the franc, although it is probably too soon to anticipate speculators unleashing their full fire-power.

The real reckoning will come only when decisions on who qualifies for Emu. still 18 months away, are much closer. Even if the franc gets into serious trouble then, speculators will still be wary of another drubbing by the Bank of France and the Bundesbank. The odds must favour the central banks holding the line, but they are likely to face some sweaty moments in the

Hoechst

Hoechst has turned into a stock market darling since Mr Jürgen Dormann, its chairman, embarked on his quest to improve shareholder value. Over the past 18 months, a difficult time for chemical companies generally, the group's shares have gained 50 per cent, outperforming the German market by a quarter

Much of the excitement is the result of speculation about a spin-off of the group's drug business - the fourth largest in the world. While Hoechst is working on a separate legal structure for the division. it is not thinking of an imperial Chemical industries/Zeneca-style demerger, which would create the most value. A listing of a minority stake is more likely, both to avoid German capital gains tax and to allow Hoechst to retain manag ment control And even that will

possible flotations, such as the AgrEvo agricultural joint venture or the industrial gases businesses look even further away. Until then, Hoechst deserves to trade at a discount to the sum of its parts.

Meanwhile, yesterday's half-year results, while containing a much improved level of disclosure, showed the group is suffering as badly as ICI and other European rivals in commodity chemicals, polyester and plastics. Excluding a host of special factors, underlying profits probably grew by less than 3 per cent. There is still huge potential for improvement at Hoechst. but the danger is that investors have let their hopes run ahead of progress on the ground.

UK conglomerates watchers are setting little to cheer about. First there was the disintegration of Hanson, then the collapse of BTR, and now Cookson looks destined for relegation from the blue chip FT-SE 100 index. Cookson has been tarred with the conglomerate brush, and its shares are trading at a 15 per cent prospective price earnings discount to the market. But this seems unjust, since it does not share the alments of its peers.
Its problems have been twofold.

The downturn in the consumer electronics industry, particularly in the US, has hurt Cookson's electronics materials division. And it has coincided with significant investment in capacity expansion. The result will be falling margins and a halt to the division's spectacular growth. The second problem is that Cookson's cash flows have dried up, reflecting failure to continue improving working capital levels and an accelera tion in capital expenditure.

Both difficulties look short-term. There is no evidence of an immediate recovery in the electronics division, but all evidence points to an upswing by 1997. Meanwhile, with capital expenditure running at twice depreciation, cash outflows are almost inevitable; this does not matter so long as Cookson achieves its historic returns on capital. The shares are unlikely to recover until September's interim results statement. But with a p/e rating which belies the medium-term growth prospects, the under-performance should be reversed thereafter.

> Additional Lex comment on investment trusts. Page 14

when he was abducted from a companies, which take advan-HSBC to challenge ruling | Munich Re

Continued from Page 1

this case as far as it needs to Separately, the union appealed to a lower court on disputed issues in the labour agreement. The court ruled in

union indicated it would banks in Indonesia usually arises every two years, with the renewal of the CLAs, the traditional mechanism for

> Europe today Conditions in western Europe will

improve as an area of rain moves

favour of the bank, but the

Industrial action at foreign

from reinsurance from nearly DM19bn to around DM22.5bn (\$15.2bn). Last month Munich

Continued from Page 1

Re agreed an exchange of outside shareholdings with the Allianz insurance group - the two own 25 per cent of each other's shares - leaving the reinsurance group With control of Germany's biggest health insurance company. This will raise its non-reinsurance premium income from DM10bn to

WHEN WE INVEST IN A COMPANY WE'RE NOT INTERESTED IN ITS WORTH.

For more than thirty-five years Gresham Trust has been investing in management rather than just figures on a balance sheet.

ONLY YOURS.

If we're convinced that you have the ability, commitment and track record, we'll back our judgement whether you're raising £2m or £20m.

And because you're the customer we think you should be the judge of when to sell - an approach that ensures you remain in control of your own destiny at all times.

Whether you require equity capital for a management buy-out or for your company's expansion, call Trevor Jones or a member of his team on 0171-606 6474. You'll find they're well worth talking to.

RESHAM & TRUST

EQUITY CAPITAL FOR MANAGEMENT Gresham Trust p.l.c., Barrington House, Gresham Street, London EC2V 7HE.

Regulated by The Securities and Futures Authority.

towards Poland and souther vectors. The fain will be accompanied by thunder in Belarus and Ukrame. Sunny Benefus and northern France Southern France, most of Portugal and Spain will have a lot of sun aithough thursder showers are expected in eastern Spain. Rain and thunder showers will also occur over central italy. Most of the Alps will have sunny periods. Showers are likely in Austria, Greece and Turkey will be meinly sunny Five-day forecast Western Europe will be dry and partly sunity. Eastern Europe will have rain. Most of the Mediterraneen will be fair but France and northern Italy by the Rangoon Reylige/like Right Reylige/like Right Rome S. Fraco Seoul Singapore Strasbour, Sychey Targler Tal Asiv Toloyo Toronto Vancouver Ventee Vanne Washington Villington Villington Villington Villington Existic buy commitment Lufthansa

FT WEATHER GUIDE